

RANGOON GOVT STRIKERS RIOT

Workers Defy Police Ban Shout Anti-Govt Slogans FIGHTING NEAR INSEIN

Rangoon, February 10.

Striking Government workers today defied a ban on picketing and barred the doors and gates of Government buildings against loyal workers.

Green Light For APL Ship

San Francisco, February 10.

American President Lines officials said today that their freighter, President Fillmore, has received permission to enter the Communist-held port of Taku Bay.

She is due there in nine days and will be the first American vessel to enter the port since it fell to the Communists early last month.

The President Fillmore has 2,500 tons of general cargo for Taku Bay.—United Press.

Piper Cub In Forced Landing

A Hong Kong Flying Club

AT-6 Harvard two seater plane made a forced landing on a mud flat in Harker Bay, 45 miles East of Kai Tak yesterday.

The pilot, Mr. Pete Coster, and his wife, the passenger, were not injured. They were brought back to Hong Kong last night by a Chinese Customs cruiser.

The plane was on a regular morning meteorological flight for the Royal Observatory. The plane was first reported missing. It was later located by an RAF reconnaissance plane on the shores of Harker Bay, 45 miles East of Kai Tak.

Mr. Coster made the forced landing with the wheels up to avoid somersaulting. The plane was damaged.

A Chinese Maritime Customs cruiser patrolling along the coast of Harker Bay rescued Mr. and Mrs. Coster and brought them unhurt to Hong Kong last night.

Collapse Of Peace Hopes?

Canton, February 10.

Acting President Li Tung-jen and other leaders of Nationalist China have joined Premier Sun Fo in virtually abandoning hope for an early negotiated peace to end the civil war, a highly placed official told the United Press today.

Li is expected in Canton shortly, signalling the collapse of peace hopes and the beginning of final preparations for a last ditch stand against an admittedly superior Communist army.

Cabinet officials here continue to emphasize that while the Government is believed united in its view that an "honourable peace" is impossible, they still stand ready at any time to accept any Communist offer to open peace talks.—United Press.

The Weather

At 0600 GMT (2 p.m. HKST) the anti-cyclone continued to dominate China and Japan. A vigorous trough of low pressure extends from Japan, NNE to the Philippines.

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Communist Problem In Asia

London, February 9.

Commonwealth relations sources today said that defence against further Communist advances in South East Asia will be a major subject for discussion in the forthcoming meeting of Dominion Foreign Ministers in Ceylon.

The Far Eastern situation is causing a great deal of concern to the British Foreign Office and particularly to Australia, whose representative is likely to raise the issue at the Colombo conference.

Far Eastern developments are also very disquieting to Western Union countries and to the U.S. State Department.

The Western Union and United States Governments have been in touch on the matter but measures to cope with the situation are not easy to devise.

The Indian High Commissioner, Mr. Krishna Menon, consulted yesterday with the Commonwealth Relations Minister, Mr. Philip Noel-Baker, on the forthcoming Commonwealth Foreign Ministers' meeting.—United Press.

Newfoundland Protest

St. John's, Newfoundland,

February 10.

The Newfoundland Supreme Court has granted leave for six former members of the island's legislature to appeal to the Privy Council against confederation with Canada.

They took out their writ against the Commission of Government, seeking an injunction to prevent the Commission from taking further steps towards a confederation.

The writ contended that the Government had no right to pass the acts which led up to the signing of an agreement for union with Canada.

The confederation is due to take place on March 31.—Reuter.

VOTING IN N. IRELAND

Belfast, February 10.

Voters began streaming to Northern Ireland polls at 8.30 a.m. GMT (4.30 p.m. HK time) today to settle one of Ireland's hottest election issues since the Republic of Ireland Bill—Northern Ireland's choice of federation with Eire or continued union with the United Kingdom.

Political observers on both sides of the partition fence forecast victory for Ulster's partitionists—the Unionist Party.—United Press.

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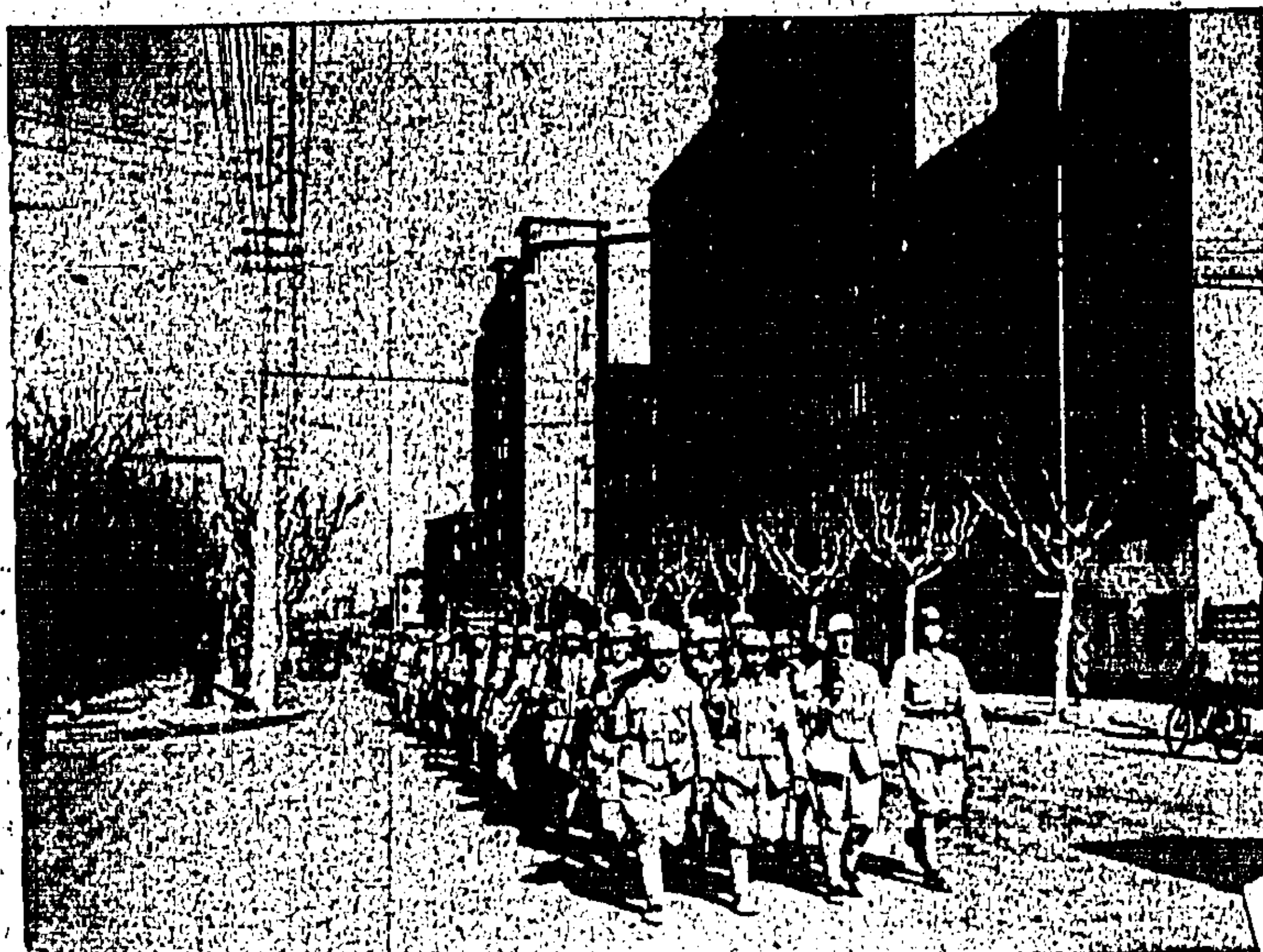
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Troops Marching Through Shanghai



Speculation On Royal Tour

London, February 9.

Much speculation has been aroused in London and elsewhere since King George sent a telegram to the New Zealand Society's anniversary dinner this week saying that he hopes to carry out his proposed visit to Australia and New Zealand in "the not too distant future."

A Buckingham Palace official said today that it is impossible to forecast any date on which the Royal Family may resume their plans for the visit, which was postponed last November because of the King's illness.

"We must repeat that the King postponed his visit and did not cancel it," the official added.

Recruiting Centres

Registration and recruiting

centres for the new Hong Kong Defence Force will open on Monday at the following places:

HKVDC: Between 9 a.m. and 5 p.m.

HK Cricket Club: between noon and 2 p.m.

Kowloon Cricket Club: between noon and 2 p.m.

Club de Recreation: between noon and 2 p.m.

Club Lusitano: between noon and 2 p.m.

Club Deportivo: between noon and 2 p.m.

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No Early Solution Of China Problem Expected

Nanking, February 9.

Don't expect an early solution of the China problem—even one completely in favour of the Communists.

There are increasing signs that the present stalemate, with its almost complete cessation of military operations, may extend well into the summer. Just why the lull is continuing at such lengths can be answered only by those in power North of the Yangtze.

Few observers here expect that Acting President Li Tung-jen's efforts to arrange for a peace on a national scale will be successful. Neither do they, on the basis of information available to them here, anticipate the Reds will attempt crossing the Yangtze and drive Southward by military force alone.

Admittedly, the Reds have deflected Chiang Kai-shek's Nationalist armies in the military phase of the civil war. There is little organized resistance to the Communist armies North of the Yangtze and precious little below this river.

Despite this fact, Mao Tse-tung and his subordinates give every indication that they are content to "wait their turn" for the time being while they organize their army, control, including all Manchuria, Peiping and

Tientsin areas, and now all Central and East China to the Yangtze into workable political units.

Roads Railroad

Reports reaching Nanking said the Reds have restored the Tientsin-Peking railroad all the way from Tientsin to Kuching midway between Suhsien and Pengpi. These reports added that trains are carrying loads of flour Southward over the newly repaired rails, for feeding. Red troops of Chen Xia armies, who are regrouping and reforming units between the Hual and Yangtze rivers.

How long Acting President Li Tung-jen can hang on in Nanking without opening official and formal peace talks with the Communists is a question of growing speculation. Thus far, despite his efforts, which included two personal trips to Shanghai and numerous exchanges of telephone and telegraphic messages with Red leaders in Peiping, there have been no concrete results.

A group of Nanking professors seeking peace have reached Peiping, but their status is that of unofficial visitors.

President Li's own official delegation to negotiate peace—appointed two days after he took

over the duties of President from Chiang Kai-shek—is still scattered. One member, Chang Chih-chung, is now in Lanchow. Another, Shao Li-tse, is in Shanghai, seeking to accompany Shanghai's own unofficial delegation Northward.

Still others are in Nanking. But after more than a month's existence as "China's formal peace negotiators," this group of five men have not even succeeded in establishing contact with the Reds.

It that pattern is to be followed, it is apparent here that the situation may drift further for three, six or even more months without a complete settlement covering the whole nation.

Many observers are convinced that the peace efforts represent an interim period during which the Communists in the North complete political reorganization while the Nationalists in the South attempt to form some bulwark behind which to seek time to revive their own strength.

If the Reds plan a crossing of the Yangtze against any opposition, they are likely to make the attempt within the next four weeks. The river now is at the lowest stage but after mid-March, spring rains and thaws will send it back to high levels, where it normally remains until autumn.

Nationalist soldiers are shown marching along Shanghai's famous Avenue Potala, in the former French Concession. The streets of the Whangpoo metropolis are today crowded with soldiers, some on their way South others to the outskirts of the city.—AP Photo.

Labour Party Out To Get Women's Votes

London, February 10.

A determined bid to win the mass support of British housewives at the 1950 general election is made in Labour's "second five-year plan" which was hammered into shape at the National Executive Committee meeting today.

The plan advances proposals to ease the housewives burden through municipal and other labour saving services, ranging from public laundries to improved food distribution.

The plan, at present only provisional, names a list of important industries as possible subjects for future nationalization. These include the £170,000,000 Imperial Chemical Industries combine, insurance, water supply, shipbuilding, the flour industry, sugar refining, and certain distributive trades, notably coal, and sections of agriculture.

The list may be considerably cut before the plan is finally approved by the Executive and sent to the Labour National Conference in May for endorsement.—Reuter.

Democrats' Victory On Tariff Act

Washington, February 10.

The Administration won a smashing victory yesterday as the House voted 319-80 to repeal the 1948 Republican Tariff Act and reinstate the original Reciprocal Trade Law until June 12, 1951.

President Truman in requesting the action said the GOP act "hobbled" trade pact negotiations. He said its repeal is needed to promote commerce and aid world peace.

The legislation now goes to the Senate.

The vote came after Representative Robert Doughton, 85-year-old chairman of the Ways and Means Committee, called upon the House to unshackle the trade programme and prove to the world that "the United States has definitely and permanently turned away from economic and political isolationism."

The old Reciprocal Trade Law, which will be restored if the Senate follows the House action, gives the President power to cut American tariffs 50 per cent below January 1, 1945 levels in trade with nations that agree to reduce their trade barriers.—Associated Press.

ANGLO-INDIAN FINANCE TALKS

New Delhi, February 10.

A British delegation led by Mr. A.T.K. Grant, of the Treasury, began talks with the Government of India today on sterling balance arrangements between the two countries.

Mr. E.O. Ambastkar of the Indian Finance Ministry led his country's delegation.—Reuter.

Killer Of Gandhi, One Other Accused Sentenced To Die

New Delhi, February 10.

Nathuram Vinayak Godse, 36-year-old assassin of Mahatma Gandhi, was sentenced to death here today by a special court which had been trying him and seven other Hindu extremists for the murder of Mahatma Gandhi on January 30, 1948.

Narayan Dattatraya Apte, 35-year-old former school teacher was also sentenced to death for complicity in the murder.

Mr. Damodar Savarkar, 65-year-old ex-president of the Hindu Mahasabha, was the only one of the eight accused found not guilty. He was acquitted. Digambar Badsa, 35-year-old staunch Mahasabha member, who ran a store in Poona dealing in arms, and who had earlier turned King's evidence, was discharged, having been pardoned.

The other five accused, Karkare, Madan Lal Shankar Khatavva, Dr. Dattatraya Sadashiv Parekh, and Gopal Godse, brother of Nathuram Vinayak Godse, were sentenced to transportation for life (14 years imprisonment).

(Formerly transportation for life meant banishment to the penal settlement in the Andaman Islands, which has been abolished now for some years. The term however, is still retained although the convicts are kept in India).

In the case of Shankar Khatavva, the judge recommended that his term of 14 years be reduced to seven years rigorous imprisonment as whatever he did he did more or less in obedience to the orders of his master, Badsa, and in the circumstances deserved some leniency.

Conspiracy

The accused were charged with offences punishable under various sections of the Indian penal code, the "explosive substances act" and the Indian arms act. The charges included conspiracy to murder, and illegal possession of arms and explosives.

The trial began last May in the 37th century Goshul-built red sandstone fort on the banks of the River Jumna, some hundred yards from the place where Mahatma Gandhi was cremated.

Nathuram Godse confessed in court on November 8 last that he had fired the shot which killed Mahatma Gandhi, while the Mahatma was on his way to an evening prayer meeting in New Delhi.

Godse, a plump man of medium height, fired three pistol shots at point blank range. The bullets entered Mahatma Gandhi's stomach, chest and groin. He died half an hour later.

The special judge, Mr. Atma Charan, in a 204-page judgment held that the conspiracy to murder Gandhi had been established and had been definitely in existence in the beginning of January 1948 and had continued until January 30, 1948, the day of the assassination.

Trooping Of Buffs' Colours

The Colours of the 1st Battalion of The Buffs will be trooped before the Governor at Stanley at 11 a.m. today.

The occasion is to mark the merging into one of the two Battalions of the Regiment.

The Colours on parade today were presented to the Battalion by Sir Charles, 1st Baron, of the River Jumna, at Rangoon, on January 7, 1932. They were with the Battalion at Maymyo, Lucknow and in Palestine, where they were played for safe keeping in Haifa on the outbreak of the second world war.

Today's parade will last more than an hour. As the Buffs' colours, each consisting of 40 men, will march on to a square to the tune of "Old Comrades". When the Governor arrives the troops will present arms while the National Anthem is played for the Royal Salute.

After inspection of the parade by the Governor, an Order of the Day by the Colonel of the Regiment will be read by the Commanding Officer, Colonel F.W.B. Parry. This will precede the actual Troop when the Colours are handed to the Ensigns of the Colour Party by the Regimental Sergeant Major.

Guests at today's parade will be entertained at the Officers' Mess after the Parade. A film of the The Troops will be made by the Yung Hwa Movie Picture Industry.

WATSON'S



40 CENTS OBTAINABLE EVERYWHERE

S.T. & I. Commercial Account Turnover--HK\$267,917,000

Hotel Owners Satisfied With Rates

Generally, hotel owners are satisfied with the controlled rates for accommodation and services included in the proposed Hotels Ordinance, which had its First Reading at the Legislative Council meeting on Wednesday.

The managements of the hotels concerned said yesterday that the rates in most cases were the same as they are now charging.

Certain management comments that the proposed rates of HK\$6.50 a day was uneconomical. However, they conceded that this was a minor point.

Others said they could not understand why some newly-established hotels were not included in the list of hotels to which the new regulations will be applicable.

Luxury Hotels

Mr. Ralph Shaw, Chairman of the Hong Kong and Kowloon Residents Association, speaking in his personal capacity yesterday, said that he found it extraordinary that two hotels of European type have been excluded on the grounds that they are luxury hotels when they do not possess a lift service.

"In any event," he added, "they cannot be compared to our genuine luxury hotels and to say that these are patronised by rich Chinese is sheer nonsense."

"There is a strong flavour of discrimination which I am sure will be resented by hotel managements as well as by residents in these two establishments."

Mr. Shaw added that it has been a great disappointment to residents in Chinese hotels in the Colony to find that their interests have been entirely disregarded.

"After all," said Mr. Shaw, "we are trying to recruit loyal Chinese for the new Defence Force."

BOYS THRILL TO TARZAN

More than 600 boys from the Boys and Girls' Club in Hong Kong were entertained yesterday morning at a cinema show at the Oriental Theatre.

The film was The Adventures of Tarzan, and this delighted the young audience.

The entertainment was organised by the Director of the Wah Yan College, Poor Boys' Club, Father Howatson, and was made possible through courtesy of the management of the Oriental Theatre.

All the Clubs on the island were represented with the exception of the Club at Stanley.

The 1947-48 cash turnover on commercial account of the Department of Supplies, Trade and Industry amounted to HK\$267,917,000, according to the annual report of the Department.

Cost of operating the Department, including non-commercial sections such as Price Control, amounted to about HK\$650,000—less than a quarter of one per cent of the turnover.

Rice received during the year under review totalled 112,913 tons (from Siam: 57,093; from Burma: 42,020; and from Egypt: 12,900). Total issues of rice amounted to 74,060 tons. Receipts of flour totalled 25,428 tons and issues amounted to 20,308 tons.

Sugar of all kinds received by Hong Kong totalled 19,051 tons. Receipts of coal (all types) totalled 358,635 tons and coal issues amounted to 310,759 tons.

During the year the price of rationed rice increased from 27 cents to 54 cents a catty. The Department's report commended that the increase was very severe. It added that it is probable, however, that the rice prices have now reached their peak.

Meat shipments received during the year totalled 3,207 tons. The report said that refrigerated liner tonnage was becoming increasingly available. It was expected that it would in future be adequate to meet the requirements of Hong Kong.

During the year, a ration of Japanese rice was issued through the rice ration shops in July at prices ranging from HK\$1.30 to HK\$1.15 a yard. Only 616,637 of the 1,120,580 yards offered were taken up.

Temporary Functions

The report said that the commercial functions of the Department are obviously of a temporary nature but while policy is to return trade back to commercial channels as soon as this can be done without prejudicing supplies of the commodity in question, it appears likely that these functions will in some instances have to be continued much longer than originally anticipated. Their exact duration, however, cannot be forecast.

Some of the Department's other functions are also temporary and will disappear with the return of normality. For others there appears to be a continuing need in the post-war world of ever multiplying economic control and planning.

In some directions, work is increasing. For example in connection with the European Recovery Programme and international economic agencies such as the Economic Commission for Asia and the Far East, concluded the report.

Charge Against Policeman To Be Heard

On the application of Mr. C. A. Sutherland Rues, Mr. W. A. Blair-Kerr at Kowloon yesterday filed February 10 and 24 for hearing of the charge of unlawful detention against PC 1021 Leung Kwok-lai.

The same dates were fixed for hearing of the charge of interfering with a potential witness on January 16, preferred against Fu Mu, wife of the first accused. Leung, who was brought before the magistrate on remand yesterday, was allowed bail in the sum of \$750, either half cash and half surety or wholly cash. His wife was admitted to bail in the sum of \$1,000, either half cash and half surety or wholly cash.

At previous hearings, Leung was charged on two counts, that of demanding \$50 with menaces from Sun Yuen on January 13, and assaulting and unlawfully detaining Sun.

Yesterday, Detective Sub-Inspector D. H. Taylor, CID Headquarters (Kowloon), informed the court that (DSI Leung), officer-in-charge of the case, was engaged in the Supreme Court and that he (DSI Taylor) has been instructed to withdraw the first count against Leung.

Additional outward airmail services were announced by the Postmaster General yesterday. Airmail letters are now being accepted for Wake and Midway. The rates are: Letters: HK\$1.50 (one half ounce); postcards: 75 cents each; and air letter forms: 40 cents each.

Correspondence

The Editor takes no responsibility for views expressed in letters by correspondents, and by no means necessarily agrees with them.

Shroud Of Secrecy

Sir,—With reference to the Cloverlock case, brought up by Mr. T. Wherry in yesterday's issue, here are the facts.

The informants were identified in the article. No mention, however, was made of the Cloverlock by name, by request. The chief engineer of the North Star himself was ignorant of the port but identified it here by obtaining a map of the place drawn by a Customs official there, showing the positions of the Customs Office, the soldiers' barracks and the North Star.

She was at Shi Tau, some hundred miles North East of Tientsin, on the tip of the Shantung Peninsula, according to the map in Chinese characters.

The informants gave me two 1,000 bills, the currency used at the port, which they said was the only port called at since leaving Hong Kong.

This was "Pakhoi" (Shantung) money.

Furthermore, members of the LST North West, now at Taikeo Dock, declining identification, confirmed being with the North Star and Cloverlock at Shi Tau.

On every ship I found the same shroud of secrecy over the trip among senior officers.

"OUR HARBOUR REPORTER"

PAA Traffic Record

Pan-American Airways' combined passenger, cargo and mail traffic reached a record in December in the company's Pacific operations, according to final figures announced yesterday.

During the month under review the total revenue in millions of dollars was \$371.473—an increase of four per cent over November 1948, and 18 per cent over December, 1947.

Over the Pacific, a total of 7,723 revenue passengers were carried during December, an increase of five per cent over the November figure, and two per cent over the previous year.

Cargo flown was 90 per cent over December of 1947 and four per cent over the previous month. A total of 396,803 pounds was carried during the month. American mail carried increased 65 per cent above the November figure for a new record of 348,083 pounds.

On the company's Alaskan flights, passenger figures in December increased eight per cent over November. United States mail increased 69 per cent, but cargo dropped 18 per cent, after abnormal demands caused by the recent shipping strike decreased.

Convicted On Charge Of Public Mischief

Convicted at Central yesterday on a charge of effecting a public mischief by falsely pretending that he was an Inspector of Schools, 17-year-old Wong Fuk-chuen, was released on a personal bond of \$50 and to come up for sentence this morning.

It was alleged that defendant on the morning of February 7, phoned to the Sai Nam School at Oakland Path and said the Education Department was making the call.

The message went on to say that one of the Department's Inspectors would be visiting the school that morning.

At 10 a.m. defendant arrived at the school and was shown round the various classes by the headmaster.

When the inspection finished he returned to the headmaster's office and there requested that certain of the pupils whom he had questioned should be brought in.

Asked For Names

When this was complied with, defendant requested the names and addresses of the students, stating that as they appeared to be brilliant scholars, he would recommend that they be sent to English universities to further their studies.

After defendant's departure the headmaster thought it queer that an Inspector would make such a request, and he telephoned the Education Department and was informed that no such Inspector had been sent.

Calling Car Owners

Fifty-seven car owners will have their car numbers cancelled if they do not renew their licences within 48 hours.

The numbers concerned are:—60, 111, 192, 227, 200, 270, 283, 291, 330, 375, 382, 409, 449, 471, 492, 493, 512, 538, 550, 559, 573, 611, 624, 605, 737, 834, 854, 879, 1001, 1101, 1129, 1105, 1169, 1205, 1222, 1284, 1431, 1455, 1498, 1581, 1654, 1732, 1784, 1876, 1894, 1904, 1912, 1923, 1939, 2349, 2487, 2602, 2674, 2689, 2701, 2707 and 2813.

Documentary Films On Australia

Two documentary films on Australia were shown to a record attendance at the Kowloon Rotary Club yesterday.

Mr. H.H. Rankine, the Australian Trade Commissioner, through whose courtesy the films were shown, said he hoped the films would help to bring back memories to many people here.

A good many Hong Kong people evacuated to Australia during the war.

Mr. W.P. Montgomery, United Kingdom Trade Commissioner, and Mr. K.F. Noble, Canadian Trade Commissioner, were among those who saw the film exhibition.

Other guests present included Rotarian R.P. Dunlop from Hong Kong, Rotarian Dr. T. Pan from Swatow, Lieutenant Commander B.T. Simons, R.N., Flight Lieutenant F.J. Lucie, RAF, and Messrs. R.W. Smith, E. Joffe, C. Crofton, S. Temple, R.W.K. Yeung, I.P. Shinde, R.V.K. Hockridge, N.W. Lee, H. Heil, H.S. Mok, F. Marsh, A.D. Bennett, F. Howarth, W.H. Bailey and D.A. Mathes.

Reminders

Today

European YMCA Members' Council inaugural meeting, first floor lounge, 6 p.m.

Women's Section meeting, European YMCA, 10 a.m.

Entries close for Colony Open Badminton Championships, and HK Cricket Club annual Tennis Championships, 5 p.m.

Coming Events

TOMORROW

Police Recreation Club, Social Evening, Happy Valley, 8 p.m.

Bank of East Asia, annual general meeting, bank premises, 2.30 p.m.

Jumble Sale by Women's Auxiliary of Society for the Protection of Children, St. John's Cathedral Hall, 12 noon to 6 p.m.

SUNDAY

Classical Concert, Toe H Club, Taijoh House, 50, MacDonnell Road, 8.30 p.m.

HK Art Club Sketching Party, members to assemble at Kowloon Star Ferry, 10.30 a.m.

Verdict In PWD Case To Be Given Today

That the case was one of the strangest that had occurred in the Colony, in that accused, who had served in Hong Kong for 25 years, earned a good name, and who was on the eve of getting his own pension, would for \$500 do the paltry things with which he was charged, was voiced by Mr. V. J. L. D'Alton, counsel for Spary, during his closing address to the Jury at the PWD laundry trial yesterday.

The verdict will be given today in the afternoon by the Jury comprising four men and three women after Mr. Justice Reynolds has finished his summing-up.

Counsel also submitted that the defence had in fact established accused's innocence.

and that when he received telephone calls a night or two ago from people who wanted to come forward on Spary's behalf, he had rejected them as being no longer necessary.

Accused in the dock are Kwok Kwong, foreman, and Austin Spary, electrical inspector Grade 1, both of the Public Works Department, who are standing trial on 11 counts of larceny by public servant, obtaining money by false pretences and conspiracy to defraud the Government.

Commencing his address to the Jury, Mr. V.J.L. D'Alton, counsel for Spary, said that the Jury had been asked to look at the evidence as a whole. But by now, he stated, he was sure they knew that that should not be the case. The mere fact that a man charged with many offences was not proof of his guilt on every one of them, and each and every one must be proved to the Jury's satisfaction, he submitted.

Counsel went on to state that, though he might be new to the Bar in Hong Kong, he was no stranger to the customs of the country of the majority of the prosecution witnesses. He had lived in that country for nearly 40 years, said he, and he would say that it was a country of delegation.

Seems Strange

One man, he continued, would be told to do a job, and he would immediately find someone else to do it, and that man in turn would find somebody else. From the evidence, Mr. D'Alton submitted it appeared that the arrangement for the job at the Night Club were being done by the steward of the Club and the workmen. Yet it was strange that the steward had not been called to give evidence.

With regard to the three ceiling fans installed in the Hong Kong Football Club, counsel submitted that there was no question of any payment or profit, nor any secret in the matter. Spary, he said, had told his men to take the fans and to install them in the Club. He believed he was acting within the scope of his authority.

Mr. D'Alton drew the attention of the Jury to Spary's statement that had the fans not been stolen in the Club, he would have smashed them up.

Counsel went on to say it had been suggested by the prosecution that Spary was passing the buck to Kwok Kwong. There was nothing in Spary's statement in the box, he contended, to suggest that he was either shielding or attacking Kwok.

Counsel further added that Spary was telling the truth, and had shown no indication that he was attempting to save his own skin at the expense of another man.

Mr. D'Alton told the Jury that, when one considered a case of this kind, which he declared, was not only one of the longest, but one of the strangest that had occurred in the Colony, there was always a duty on the part of all to look at it from the common sense point of view and see whether there was not a reasonable explanation.

Spary, he continued, was a man who had worked in Hong Kong for 25 years, and who had earned a good name and belonged to the crowd from the day he was born—his father being a soldier: He himself served in the Army.

Is It Logical?

Counsel then enquired whether it was reasonable or logical that a man of that sort who had the highest consideration from everybody and who was on the eve of getting his own pension, would do such a paltry thing like that for \$500.

Turning back to the counts in the indictment, Mr. D'Alton referred to the seventh count, which had since been dropped by the Crown. He stated the reason why it was dropped was because the Crown could not prove it.

Mr. D'Alton then declared that his contention all along was that Spary had no criminal knowledge whatever of any going on. If there had been any going on, he stated, Spary did not have anything to do with them at all.

Mr. D'Alton told the Jury that his defence had established their innocence. He submitted that the defence had in fact established that innocence. That was the reason why witnesses were not called, he said.

Counsel went on to say that that was his decision, not Spary's. In fact, he said, he was not even asked to call any witnesses who wanted to come forward.

word on Spary's behalf, which he rejected, in any case, it was too late, he added.

cluded by stating that everyone had gone through the trial with a considerable amount of good humour, and that, when the Jury considered the verdict, they must think of the consequences that faced the accused.

Mr. Justice Reynolds then adjourned the trial until tomorrow morning, when he will begin his summing up to the Jury.

Unusual Type Of Transmitter

An unusual type of illegal wireless station charge was heard before Mr. W. A. Blair-Kerr at Kowloon yesterday when Li Kwong-chi, aged 28, was charged with maintaining an illegal telecommunication station at 10 Woosung Street, second floor, on February 9.

Mr. D.B.L. Grew of the Telecommunication Department, General Post Office, informed the court that the case was "not quite the usual type of case," as, in the present instance, no wireless set was found on the premises.

Defendant, said Mr. Grew, was engaged in receiving and transmitting messages by telephone to a certain wireless station. He did not know where the station was, he claimed, he only received "regular telephone calls from the station every day."

On being called, he would take down all the messages for various persons, and, in turn, would transmit the messages he received for sending out of Hong Kong.

Very Busy Station

The station must have been a very busy one as defendant, who was only paid a commission, stated that he received \$20 or so every day. In his room was found a number of messages, said Mr. Grew.

Defendant, held the prosecuting officer, was as much operating and maintaining a wireless station as if he were engaged in operating the transmitting and/or receiving sets. He received messages, by telephone, from and for various clients.

The court had previously convicted messengers employed in carrying messages by hand. Accused could be considered in the same category as he carried messages by telephone.

When the premises were raided last March by himself and Inspector Matches, there was a wireless station in operation.

Defendant, who admitted that he knew of the heavy penalty imposed on cases of this type, was fined \$1,500. The court directed that 25 per cent of the fine should be paid to the informer.

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CINEMA WORLD

No Serious Competition

Hollywood, February 8. The film executive, Louis Mayer, said today that he did not think television would bring in enough revenue to make it a serious competitor to motion pictures.

Mr. Mayer told an MGM sales conference: "I have yet to learn from anyone connected with television how they expect to achieve revenues that will enable them to play the entertainment comparable to motion pictures. Television seems to be more of an adjunct of radio, giving it eyes, just as sound gave the screen its voice."—United Press.

Difficult, But Different

Warner Brothers have set themselves a pretty problem in their publicity for "The Big Punch" starring Wayne Morris, Lois Maxwell and Gordon MacRae. The film is due at the Lee next Tuesday.

The pretty problem mentioned above is posed by a statement printed in large letters on one of those immense and startling posters with which the film companies smite the public eye. It says: "They come out slugging... smashing a vicious racket with their fists... thrilling beautiful women in their arms!"

Now, Warner Brothers is a reputable organization. Let no one suggest that they do not abide by their agreements. Such a statement on a poster, we feel sure, in the nature of an agreement between the company and the public. Therefore we can expect something a little unusual, if not downright unnatural, in some of the scenes in "The Big Punch."

One can imagine the director's having had some pretty trying moments deciding on the most appropriate technique to use. "Now Lois," one can hear him saying, "you cling round Wayne's neck—facing him. Mary, (Mary Stuart is the witch playing opposite Gordon MacRae) you do the same to Gordon. Right? Now come out slugging fellows." It seems likely that such a rehearsal would be followed by a quiet period devoted to the application of liniment to the backs of the ladies, they studying their contracts the while.

"Well," the director may have said next, "maybe that wasn't quite right." Probably an unsuccessful laugh would be tried after the "well." It's try it again with the gas in front but facing the same way as the boyfriends. Now, come on Wayne, get your arms round Lois. Remember what the publicity boys said—'thrilling beautiful women in their arms.' Right—remember fellows, you're supposed to be smashing a vicious racket—let's go!"

Of course, here is a way they could have got round it. They could have had each of the men carrying a girl in a fireman's lift, holding her with one arm and slugging with the other. If there were two men that would still make the statement technically correct. But no, Warner wouldn't do that. That would be splitting hairs.

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TODAY

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Thrill To The Wildest Days Of Western Bandits!

The VIGILANTES RETURN
Color by Technicolor
JON HALL
MARGARET LINDSAY

Red Herrings Howl At Night

Errol Flynn and Barbara Stanwyck create suspense in large doses in the Warner-version of Marjorie Carleton's creeps-and-shiver tale "Cry Wolf," sending shudders up the aisles of the Lee from today.

It may be a little difficult for the patron to draw an exact parallel between any of the characters in the photoplay and the young shepherd-boy and the fable who had a hilarious time causing commotions from time to time by crying "wolf," when no danger threatened, only to find things rather



The creeps and chills of "Cry Wolf" appear to have affected Barbara Stanwyck and Errol Flynn as they peer down from a balcony.

less than funny when his genuine warning was ignored. However, it will all be less confusing if one avoids mistaking the derivation of the "cry wolf" quip. "What," demanded one critic after the preview finished, "did that have to do with the Assyrian coming down like the wolf on the fold?" He was inclined to be ignorant because neither Mr. Flynn nor Miss Stanwyck were gleaming in purple and gold.

Errol Flynn, for no apparent reason, is cast as a distinguished scientist. He runs up against Miss Stanwyck because of her being the widow of his recently-deceased nephew (Richard Basehart). A most attractive newcomer to the higher ranks of screen beauties is introduced in the person of Geraldine Brooks, who is cast as the late nephew's young sister.

The charming widow, it appears, is anxiously to become more intimately acquainted with a slice of the wealth contained in her husband's estate. Before anything concrete can be done about this, however, the general brouhaha of the spine-tangler has set in—shrieks in the night, and so forth. Next thing we know, the hand-

REALISM COSTLY

HOLLYWOOD—The movie industry settled in Hollywood because it had every conceivable kind of scenery within an hour's drive. Then it poured millions of dollars into building sound stages to copy the scenery inside.

"If you'll go along on a location trip, you'll see why. It's sometimes cheaper to fake a set than it is to use the real thing." Director William Dieterle dragged a large cast and crew out to what he thought was a quiet residential street in Hollywood to do a scene for "Bitter Victory," the Hal Wallis picture at Paramount.

Lizabeth Scott was supposed to drive up in her car, stop, and chat with Eve Arden. About 200 words of dialogue, all together. At 9 a.m., on schedule, Miss Scott roared up. So did a plane. Everybody sat back until the

Violence At The Drop Of A Castanet

Dagger-fights, duels, wooling in the cave-man style and a fair amount of dancing of the stamp-click-and-whirl variety make Columbia's "The Loves Of Carmen" a likely cause of "house full" signs being displayed at the Queen's and Alhambra next Wednesday.

Not a film of the Bizet opera, the current "Carmen" is based directly on the Prosper Merimee story of the Gypsy girl with a keen appreciation of the men and emotions more volatile than would be looked upon with favour by the girls of the weekly sewing circle.

Seemingly very much at home in the part of the turbulent temptress is Rita Hayworth. She is the fifteenth movie Carmen to stir the world screens (it is estimated that probably another dozen have appeared in foreign films made for purely local consumption).

Miss Hayworth's suitability for the part may, or may not, be due to the facts that her real name is Margarita Carmen Ganslo, her early days were spent as a dancer on the stage, and that her paternal grandmother (also named Carmen) was a worker in a cigarette factory in Seville.

Whatever the reason, there is no doubt that La Hayworth gives the film all she has—which is quite a lot. Glenn Ford is her mainstay in the male line and though he has the falling of looking sometimes like a naughty boy rather than a brutal, unscrupulous villain.

Sound performances are turned in by Ron Randall (Australia's gift to Hollywood) an discarded boyfriend of Carmen's, Arnold Moss as a colonel who is removed from the scene fairly early in the piece suffer-

'CARMEN'



Séñorita Hayworth and Glenn Ford in one of their tensely amorous moments in "The Loves Of Carmen."

ing from an overdose of sword, and Victor Jory, who makes a delightfully scabrous bandit.

Briefly, the story is of a lively wench in Seville who discards her current beau for the greater attractions of a young dragon. She is warned by a fortune-teller that she will be killed by the one man she really loves.

Caught in a swoon in the room of the dragon she aids her lover in winning a duel with his colonel. This forces the two to flee to the mountains where the dragon has to do battle once more to remove the bandit chief who, it so happens, is Carmen's husband.

After a little frisking in the foothills Carmen wanders off and becomes matey with a prosperous bullfighter. This leads to the finale which is more than slightly exciting and in which blood and tears flow with a rush.

W.C. Fields Had Money In The Bank

By Leroy March

Years ago, when the late W.C. Fields was in vaudeville, he frequently used to deposit his pay checks in a savings account in some bank of whatever town he happened to be in. He never got around to withdrawing these deposits. So now the firm of lawyers seeking to settle his estate has assigned a man to cover the great comic's old tour route, with his job being to check every bank to see if Bill left any money there.

Gregory Peck is indulging in some shuddering at the thought of the faint possibility that there's a move under way to get him to grow a beard to last through at least three or four pictures. Greg has a two-week whisker growth for his role in "Great Sinner," and some studio personages are reported to be in the mood to seek to have the star make it a standard feature of his appearance.

There now seems no doubt that Yvonne de Carlo gets the nod to portray that famous, fabulous two-gun-gal of America's old West, "Calamity Jane." Several well-known Hollywood stars had their eyes on this role, and many thought right up to the last minute that Doris Day had it cinched. This part has always been an exceptionally popular one for some reason or another.

Hollywood's been watching with great interest to see what, if anything, happens when those expert animal trainers, Frank Buck and Clyde Beatty, go to work in the new Abbott and Costello picture, "Africa Screams." Buck and Beatty have been professionally jealous of each other for years, to the points of violent antipathy.

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NEXT CHANGE "Buck With Five Fingers"

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Bob Singing The Humdly Hic Of The Year—"Bounce And Bounce"



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S. T. AND I.

It would be all too easy to

attach excessive importance

to the detailed criticisms of

the conduct of its affairs by

the S. T. and I. as contained

in the Report of the Direc-

tor of Audit. Not all that

has gone on within the De-

partment can be approved,

by any means. Stories of

graft and corruption, with

or without foundation, have

freely circulated for long

months past, and while the

Government rejected a sug-

gestion made in Legislative

Council that an investigation

be undertaken, the effect has

been to increase the flow of

gossip rather than to sup-

press it. None of this, how-

ever, has anything to do,

directly, with the strictures

of the Colonial Auditor.

Close examination of his re-

port, point by point, reveals

a deeper concern with the

correctness of the Depart-

ment's methods, as laid down

in the book of words, than

he is with the success of its

operations as revealed in the

overall picture. At no point

in the Report, is any accusa-

tion laid of corruption or

peculation: this is not

even implied in the state-

ment that the Depart-

ment's accounts and the

figures in possession of the

Accountant-General cannot

yet be fully reconciled. The

Director of Audit, in fact,

does not say that this or that

action was necessarily wrong;

but he does insist, frequent-

ly, that the prior approval

of the Secretary of State should

have been obtained. In short,

as the representative of the

Director-General of Colonial

Audit, he has done his duty

in directing attention to fair-

ly frequent occasions when

the Colonial Regulations and

General Orders have been

overlooked or disregarded by

the Department of Supplies,

Trade and Industry. He

would restore as swiftly as

possible, in all its pristine

glory, yards and yards of red

tape, which the special or-

ganisation of the Department

and the authority given by

Sir Mark Young to the Direc-

tor to operate on a commer-

cial basis was expressly de-

signed to avoid. Doubtless,

such a state of affairs amounts

to little short of sacrilege in

the eyes of a trained civil

servant who is also a highly

responsible auditor. We in

Hong Kong are likely to be

more impressed by results,

bearing in mind the period

which the Report covers,

when BMA traditions of

short-circuiting every ob-

stacle to progress still held

sway in the Government de-

partments most vitally con-

cerned with the speedy re-

habilitation of the Colony.

Not much attention, for in-

stance, would now be paid to

the deal over hardwood

mentioned in the Audit Re-

port, which is supposed to

have been a costly purchase,

although the Financial

Secretary's figures go far to

dispose of this assessment.

The plain fact was that those

energetic officers who came

into Hong Kong with the

British Military Administra-

tion were out to get things

done, and done quickly, and

if high prices had to be paid

to obtain the commodities

urgently needed, they were

paid. Hong Kong's almost

miraculous recovery, a long

jump ahead of any other

place in the Far East which

had been subject to Japan-

ese occupation and vandal-

ism, much be attributed very

largely, if not wholly, to the

spirit with which a heavy

task was tackled. The meth-

ods employed were far

from orthodox (if Colonial

Regulations are to be regard-

ed as the Civil Servants

WINSTON CHURCHILL'S WAR MEMOIRS: THE SECOND BOOK**THEIR FINEST HOUR****Putting A Nightmare Bluntly****By Winston Churchill**

By May 17, the French were believed to have lost three-quarters of their fighter aircraft. Mr. Churchill told the Cabinet that he had warned the French that unless they made a supreme effort we could not accept the risk of despatching further British fighter reinforcements. Gen. Gamelin was reported to have guaranteed the safety of Paris only until the night of May 18-19.

The British Air Force, in intensity. At the request of Gen. Georges, the British Army prolonged its defensive flank by occupying points on the whole line from Douai to Peronne, thus attempting to cover Arras, which was a road-centre vital to any Southward retreat. That afternoon the Germans entered Brussels. The next day they reached Cambrai, passed St. Quentin and brushed our small parties out of Peronne. The French Seventh, the Belgian, the British, and the French First Army all continued their withdrawal to the Scheldt, the British standing along the Dendre for the day, and forming the detachment "Petreforce" (a temporary grouping of various units under Major-Gen. Petre) for the defence of Arras.

At midnight (May 18-19) Lord Gort was visited at his Headquarters by Gen. Billotte. Whether the personality of this French General, not his proposals, such as they were, inspired confidence in his allies. From this moment the possibility of a withdrawal to the coast began to present itself to the British Commander-in-Chief. In his despatch published in March, 1941, he wrote: "The picture was now [night of the 18th] no longer that of a line bent or temporarily broken but of a besieged fortress."

The Problems
As the result of my visit to Paris and the Cabinet, discussions I already found it necessary to pose a general question to my colleagues.

Prime Minister to Lord President, 17. V. 40. I am very much obliged to you for undertaking to examine to-night the consequences of the withdrawal of the French Government from Paris or the fall of that city, as well as of the problems which would arise if it were necessary to withdraw the B.E.F. from France, either along its communications or by the Belgian and Channel ports. It is quite understood that in the first instance this report could be no more than an enumeration of the main considerations which arise, and which could thereafter be remitted to the staffs. I am myself seeing to the military authorities at 6.30. The swift fate of Holland was in all our minds. Mr. Eden had already proposed to the War Cabinet the formation of Local Defence Volunteers, and this plan was energetically pressed. All over the country, in every town and village, bands of determined men came together armed with shot-guns, sporting rifles, clubs and spears. From this a vast organisation was soon to spring. But the need of Regulars was also vital.

[Mr. Churchill here prints a minute he wrote to Gen. Ismay at the time suggesting that eight Regular battalions should be brought from Palestine, and eight Territorial battalions sent to India to enable eight more Regular battalions to return from there. He also mentions that the whole British Armoured Division should be sent to France, in view of the possibility of the French being offered a separate peace.]

Telegrams To Roosevelt

I also thought it necessary with the approval of my colleagues to send the following grave telegrams to President Roosevelt in order to show how seriously the interests of the United States would be affected by the conquest and subjugation not only of France but of Great Britain. The Cabinet pondered over these drafts for a while, but made no amendment.

Former Nabal. Person to President Roosevelt, 18. V. 40. I do not need to tell you about the gravity of what has happened. We are determined to persevere to the very end whatever the result of the great battle raging in France may be. We must expect in any case to be attacked here on the

Dutch model before very long, and we hope to give a good account of ourselves. But if American assistance is to play any part it must be available soon.

Former Naval Person to President Roosevelt, 20. V. 40. Lothian has reported his conversation with you. I understand your difficulties, but I am very sorry about the destroyers. If they were here in six weeks they would play an important part in the defence of the Channel. I am full of danger to both sides. Thought we have taken heavy toll of the enemy in the air and are clawing down two or three to one of their planes, they have still a formidable numerical superiority. Our most vital need is, therefore, the delivery at the earliest possible date of the largest possible number of Curtiss P.40 fighters now in course of delivery to your Army.

With regard to the closing part of your talk with Lothian, our intention is, whatever happens, to fight on to the end in this

island, and provided we can get the help for which we ask, we hope to run them very close in the air battles in view of individual superiority. Members of the present Administration would [be] likely to go down during this process should it result adversely, but in no conceivable circumstances will we consent to surrender. If members of the present Administration were finished and others came in to purify amid the ruins, we must not be blind to the fact that the sole remaining bargaining counter with Germany would be the Fleet, and, if this country was left by the United States to its fate, no one would have the right to blame those then responsible if they made the best terms they could for the surviving inhabitants.

Excuse me, Mr. President, putting this nightmare bluntly. Evidently I could not answer for my successors, who in utter despair and helplessness might well have to accommodate themselves to the German will. However, there is happily no

need at present to dwell upon such ideas. Once more thanking you for your good will... Far-reaching changes were now made by M. Reynaud in the French Cabinet and High Command. On the 18th Marshal Petain was appointed Vice-President of the Council. Reynaud himself transferring Daladier to Foreign Affairs, took over the Ministry of Defence and War. At 7 p.m. on the 18th he appointed Weygand, who has just arrived from the Levant, to replace Gen. Gamelin. I had known Weygand when he was the right-hand man of Marshal Foch and had admired his masterly intervention in the Battle of Warsaw against the Bolshevik invasion of Poland in August, 1920—an even decisive for Europe at that time. He was 70 but was reported to be efficient and vigorous in a very high degree.

Final Order

Gen. Gamelin's final Order (No. 12) dated 18.45 a.m. on May 19 prescribed that the Northern Armies, instead of letting themselves be encircled, must at all costs force their way Southwards to the Somme, attacking the Panzer divisions which had cut their communications. At the same time the Second Army and the newly-forming Sixth were to attack Northward towards Metz. These decisions were sound. Indeed, an Order for the general retreat of the Northern Armies Southward was already at least four days overdue.

Once the gravity of the breach in the French counter-offensive was apparent, the only hope for the Northern Armies lay in an immediate march to the Somme. Instead, under General Billotte, they had only made gradual and partial withdrawals to the Scheldt and formed the defensive flank to the right. Even now there might have been time for the Southward march.

The confusion of the Northern command, the apparent paralysis of the French Army, and the uncertainty about what was happening had caused the War Cabinet extreme anxiety. All our proceedings were quiet and composed, but we had a united and decided opinion, behind which there was silent passion. On the 19th we were informed (4.30 p.m.) that Lord Gort was "examining a possible withdrawal towards Dunkirk if that were forced upon him."

Southward March

The C.I.G.S. (Ironside) could not accept this proposal as like most of us, he favoured the Southward march. We therefore sent him to Lord Gort with instructions to move the British Army in a South Westerly direction and to force his way through all opposition in order to join up with the French in the South, and that the Belgians should be urged to conform to this movement, or, alternatively, that we would evacuate as many of their troops as possible from the Channel ports. He was to be told that we would ourselves inform the French Government of what had been resolved. At the same Cabinet we sent Dill to Gen. Georges's H.Q. with which we had a direct telephone. It was to stay there for four days and tell us all he could find out. Contacts even with Lord Gort were intermittent and difficult, but it was reported that only four days' supplies and ammunition for one battle were available. At the morning War Cabinet of May 20, we again discussed the situation of our Army. Even on the assumption of a successful fighting retreat to the Somme I thought it likely that considerable numbers might be cut off or driven back on the sea. It is recorded in the minutes of the meeting: "The Prime Minister thought that as a preliminary should assemble a large number of small vessels in readiness to proceed to ports and inlets on the French coast."

(Continued On Page 11)

CANTONESE BY RADIO**BY S.K. LEE****Lesson 21****Vocabulary:**122. (hong) gong²123. (t'eng) teng¹

124. (man) mun

125. (chi) jee²126. (cheung) jeung¹**Names of places:**(1) Heung¹ Gong²(2) Sheung Hoi²**Combinations:**1. Ngaw gong² (bay²) nayteng¹2. 'M hoh² gong² 'yun teng¹3. Teng¹ 'mun4. Sun¹ 'mun5. Sun¹ 'mun jee²6. Tai² sun¹ 'mun jee²7. Sun¹ 'mun jee² 'maaye8. Ngun jee²9. 'Shup mun¹ jee²**Conversation:**A. 'Yau mee¹ 'yeh sun¹'mun neh¹?B. Ngaw gung¹ 'yut maytai² sun¹ 'mun jee² 'mjee² 'doh¹ 'yau mee¹ 'yehsun¹ 'munA. 'Ngaw teng¹ 'mun nay'hui¹ 'dai 'yeh shue¹'hai 'mi 'hai neh¹?B. 'Hai 'ngaw ting¹ 'yut'hui¹ 'Sheung Hoi²Been¹ gaw² gong² 'nayten¹ neh¹?A. Jeung¹ seen¹ shaang¹gong² 'ngaw teng¹D. 'Kui gay² shue gong²'nay teng¹ ah²?A. 'Kui dzok 'yut gong²'ngaw teng¹'Nay hui¹ 'Sheung Hoi²'dzoh mee¹ 'yeh neh¹?B. 'Ngaw hui¹ tai² 'hah'yau mee¹ 'yeh 'maaye

To speak. To talk about.

To listen.

To hear. To smell.

Paper.

To spread out
Classifier for papers, sheets,
tables, etc.
A surname.

Hong Kong.

Shanghai.

I'll tell you about it.

Don't tell people about it.

To hear.

News.

Newspaper.

A read a newspaper.

Newspaper says.

A bank note.

A ten dollar note.

What's the news?

I haven't yet read the paper
today and don't know what
the news is.I heard that you are going
elsewhere, is that so?Yes, I'm going to Shanghai to-
morrow.

Who told you about it?

Mr. Jeung told me about it.

When did he tell you?

He told me yesterday.

What are you going to
Shanghai for?I'm going to see what there is
for sale.

"New Hotel Rates Become Law." Yes, but that doesn't get you

SENSATIONAL FAR EAST SPY DISCLOSURES

EX-HONG KONG BROKER LINKED WITH SOVIET ESPIONAGE RING

Split Over Indonesia

The Hague, February 9. The Dutch Cabinet is split over Indonesia and may resign, the Christian National newspaper "Nieuwe Haagse Courant" said tonight.

The paper said: Cabinet disagreement exists on: 1.—The attitude to be adopted towards the "Security Council's" resolution. This, adopted last month, called for an immediate end to the hostilities in Indonesia, where the Dutch took "police action" in December, the release of the Republican leaders, and the restoration of some of their authority.

2.—The release of the Republican leaders.

3.—The elimination of the so-called "interim period" before the establishment of the United States of Indonesia.

Meanwhile, a debate on Indonesia in the Dutch Second Chamber was suddenly postponed tonight. Political quarters here believe the Cabinet is facing a dilemma if not a crisis over Far Eastern policy. The debate was postponed until February 15. Observers regard this as significant because that is the deadline set by the United Nations Security Council for a definite Dutch-Indonesian agreement to establish an interim Federal Government.—Reuter.

Left Wing Labour MP To Tour U.S.

London, February 10. Mr. Richard Crossman, leading Labour critic of the Foreign Secretary, Mr. Ernest Bevin's Palestine policy, will leave for the United States on Friday on a four weeks visit.

Mr. Crossman hopes to meet President Truman and Mr. Dean Acheson, the U.S. Secretary of State, whom he met when serving on the Anglo-American Palestine Commission.

"I am not going to make speeches about Palestine in the United States," he told Reuter tonight, adding that he expects that he will discuss the Palestine situation with American personalities during his visit.

The chief purpose of Mr. Crossman's visit is to study American labour conditions and in particular the motor-car industry in the United States.—Reuter.

NO NEUTRALITY FOR BRITAIN

London, February 9. The Foreign Secretary, Mr. Ernest Bevin, today rejected a suggestion that Britain refuse to promise to go to war if hostilities break out between the United States and Russia.

A Labour Member of Parliament, Ronald Chamberlain, asked Mr. Bevin whether he could give an assurance that Britain will not enter into negotiations under the Atlantic Pact by which Britain automatically would go to the side of the United States in case of a Soviet-American war. Mr. Bevin replied curtly, "No."—United Press.

Washington, February 10. A former Hong Kong stock broker and newspaperman played an important part in the Russian super-spy organisation operating in Japan before the war, a U. S. Army report revealed today. He was James M. Cox, who went to Tokyo as Reuters correspondent prior to World War II.

Cox was associated with Branko de Voukolitch, another newspaper correspondent and top notch member of the ring.

The report said Cox worked in various Oriental cities prior to 1940.

Referring to de Voukolitch, the report says: "He was very close to the Reuters man, James M. Cox, who had ready access to the British Embassy before he jumped from a window at Kempell (police) headquarters in July 1940."

Cox was killed in the jump from the Tokyo police office window. Unconfirmed reports then said he had been mistreated by Japanese police seeking to investigate reports that Cox was gathering information outside of his regular newspaper duties.

Cox went to Japan from Shanghai where he had been news editor for Reuters.

The sensational story tells of a Russian spy ring that lured the Japanese Cabinet and German Embassy in Tokyo of secrets that helped turn the tide of war.

Best In History
The super-network tipped off Russia that Germany would attack her and that Japan would not.

It probably was the best and boldest ring in all history. The Army says so in a 32,000-word report on what made it tick. General Douglas MacArthur sent the report over from Tokyo.

Most of the ring leaders are dead. The master spy was a German, Dr. Richard Sorge. His first lieutenant was a Japanese, Ozaki Hozumi. Both hid their spying under the cloak of newspaper assignments. They were hanged.

But the report says, remnants of the network still may be busy in world capitals. It says an American author, Agnes Smedley, operated in Shanghai and "is a spy and agent of the Soviet Government."

This "case study in international espionage" is the first of a series of reports from Hollywood. It even has the "crime does not pay" ending with a novel twist:

An Accident
The man who unknowingly betrayed the spy chain now is one of Japan's top Communists.

The report says "The Japanese smashed the ring almost by accident just before Pearl Harbour in 1941."

"By then it had picked off the secret it wanted most—assurance that Japan would not attack Russia. That let the Reds rush troops across Siberia to halt the German drive on Moscow."

Information from the ring was of "incalculable" value and cost almost nothing.

Three Japanese who used to live in America were in the ring, one at the top level.

The ring knew the trend of Japanese-American negotiations in the critical summer and autumn of 1941. It had contact with Japan's Premier, Prince Konoye.

Consul Involved
But there is no hint that it got a tip on the Pearl Harbour raid. Some second-hand information leaked from the American Embassy in Tokyo.

An American diplomat at Harbin, Manchuria, Vice-Consul L. Lilliestrom, let two Soviet agents stay at his home and one set up an illegal radio station, the report says. That was in 1929.

At that time an earlier and probably bigger ring was at work in China. But it was far less spectacular.

There is nothing in the report about any link with Soviet espionage in America. But one name in the report appears rather obscurely in still secret testimony taken last year at the spy hearings of the U.S. House Un-American Activities Committee.

Japan released only the barest details about the ring and the trials and conviction of 17 people at the time. The U.S. Army found out about them after occupation forces moved in.

Agnes Smedley
Many of the minor figures in the ring were released as political prisoners. The Army report indicates that perhaps that would not happen if the Americans had it to do over again. At that time, it said, few people had the idea that "a Soviet spy who had worked against the Japanese might later work against the United States."

Apparently the Army report is intended to warn the U.S. to be on the look-out for spying here. Beware, it says, of U.S. employees who even show sympathy for the Communist Party. It says that "party sympathy is enough to develop a high class agent and spy."

Still "at large," it says, are American-born Miss Smedley and Guenther Stein, a German who now may be an American and who was a temporary but "top level member" of the Tokyo ring from 1936 to 1938.

Each has written books on China. "Who's Who" says they get mail in New York City.

The report says Stein is "a man about whom too little is known."

Konoye's Friend
Miss Smedley is described as the go-between who first brought Sorge and Ozaki Hozumi, his right-hand man, together. That was in China, where they operated for a time, around 1929 to 1932 and 1933.

Sorge was a professional German Communist posing as a swaggering Nazi. He used a newspaper assignment as a cover, and the German Embassy in Tokyo as if he owned it.

Like many other newspapermen and writers, he became an adviser to the Cabinet and confidant of the "brain trust" of Prince Konoye. He was consulted on the highest secrets, and sent them on to Moscow.

There were no Russians in the ring. That was a rule. Mostly there were Japanese and a few Germans.

Three of the Japanese lived in Los Angeles for years.

The report goes on: Miyagi Yotoko was an artist and key man. Akiyama Koji was a translator and the only member of the gang in it for money. Mrs. Kitayoshi Tomo was a dressmaker and the thread that unravelled the whole network.

Almost The "Perfect Crime"
How they and the rest of the espionage crew worked, and were betrayed by a Communist, its ring is a tale of intrigue, romance, possible torture and death.

It is a thriller of blinking lights, and hidden radios never set up in the same spot twice. It involves false passports, microfilm passed in cigarette packs, and money changing hands between shadowy figures in dark theatres.

Things like troop movements and secret weapons were secondary details, although the ring gathered in plenty of them, too. Sorge, the report said, was able to keep Russia "fully informed on Japanese military and industrial capabilities and intentions from 1933 to 1941. The Red Army always knew the status of current Japanese war plans, and could make their own plans and dispositions accordingly."

It was a network with "perfect sources" and almost got away with the "perfect crime."

A Philanderer
While serving his Moscow masters, Sorge cultivated the German Ambassador in Tokyo and his staff so well they told him almost anything, asked his advice, and let him see secret papers. He had a camera handy. Eventually he joined the staff as Press Attache.

Dr. Sorge had come to Japan as a foreign correspondent, and his assignment from the Frankfurter Zeitung and three other papers.

He was tall, heavy, arrogant and ruthless, a hard drinker and a philanderer. He had one wife in Russia and another, a school teacher, in the U.S.

The report tells of his methods: "After gathering together facts, opinions and estimates from a wide range of sources, from the German Embassy, the British Embassy, the American and French Embassies and the Dutch Legation, the Japanese War Ministry, the Japanese Cabinet, the Japanese household gossip, the press and magazines; Dr. Sorge sorted them out."

Many Embassy, the British Embassy, the American and French Embassies and the Dutch Legation, the Japanese War Ministry, the Japanese Cabinet, the Japanese household gossip, the press and magazines; Dr. Sorge sorted them out.

Havas Correspondent
"Often he asked the opinions of Ozaki (Hozumi) and Miyagi (Yotoko). Having come to a conclusion, usually he would test it by conversations with the German Ambassador, a Major-General, and the Military, Air and Naval Attaches of the Embassy."

"He had a high respect for their judgments since they were professional soldiers charged with evaluating just such information for the guidance of the German Government."

Another top notch member was Branko de Voukolitch, a newspaper correspondent who had access to the American, British and French Embassies and often had semi-official views from diplomatic contacts.

De Voukolitch was a Yugoslav who became correspondent for a French magazine and "Yugoslav press" as "cover."

Later he was with the French News Agency, Havas. Ozaki was an author and expert on Chinese affairs. He worked for the Tokyo Asahi Shimbun. He had gone to college with men who rose to positions of importance in the Japanese Government.

He was smart enough himself to predict Japan's eventual defeat at the height of her greatest military successes.

Strategic Spot
A highly placed friend got Ozaki lined up as adviser to the Cabinet on Chinese affairs. He had access to State papers and the ears of key officials.

Later, he had an almost equally strategic spot. He was in charge of the Japanese Railway, which was more of a political empire than a business firm.

Dr. Sorge would take his information, weigh it, check it and then write his despatches to Moscow. Some went out by radio, some on microfilm by courier, and some to the Soviet Embassy.

De Voukolitch's home was used as a photographic laboratory. A German, Max Klausen, was the radio operator. He had been in the spy ring with Sorge and Ozaki.

The report says it was he who went to Berlin in 1929, met the chief Soviet agent, Glomberg Ott, and installed a radio.

"An American Vice-Consul, Tycho L. Lilliestrom," the report says, "allowed Glomberg Ott to use two rooms of his residence, and it was there that Klausen set up his life line."

There is no reason to believe that Lilliestrom also supplied information to his guest.

Helping The Cause
The State Department register says T. Leonard Lilliestrom was at Harbin starting in 1922, became Vice-Consul in 1928, moved to Scotland in 1935 and died on duty in Mexico in 1943.

In Tokyo, Sorge was under orders to find out about Japan's military force, Japanese-German relations, policy toward China, relations with the U.S. and Britain, the role of the army in political affairs, industrial development and, above all, whether Japan intended to attack Russia.

Some of the answers came in the form of help. People like a soldier providing military plans, a doctor passing along news from patients, a seamster picking up gossip.

Sorge dealt only with the higher strata of the spy ring. Ozaki and Miyagi ran minor rings that fed the top circles.

There are some parallels to the testimony obtained by the U.S. Congressional spy probes—rings within rings; infiltration into high places in Government, couriers, microfilm, furtive meetings.

Some of the little people in the Tokyo ring, the Army says, did not even know for whom they were working. They knew only that they were helping "the cause." They committed "treason without hesitation."

Japanese Plans
And the results were things like this: In 1939, Sorge reported the Japanese had decided they must mechanize all their forces and develop armoured divisions.

Early in 1940, he passed along a reliable account of Japanese output of munitions, aircraft and motorcars, along with a report on the factories making these materials as well as iron and steel.

In August, 1941, he reported Japan had enough oil in storage to last the Navy 26 years. And

Mui Tsai In Singapore

London, February 9. The law against the marketing of young girls in Singapore is being strengthened, the Colonial Secretary, Mr. Arthur Creech Jones, said in a Parliamentary reply today.

Provision is also being made to register all female children not living with their natural parents, or legal guardians, he added. Stricter control of immigration has led to a decrease in the number of girls brought from China into Singapore. "I have given attention to this matter, and the Government of Singapore continues to do everything in its power to eradicate the evil," he said.—Reuter.

The Army and nation in general are for half price. Back on May 20, 1941, he "flushed the urgent warning that the Reichwehr would concentrate from 170 to 190 divisions on the Soviet border, and on June 20 would attack along the whole frontier. The main direction of the drive was toward Moscow."

The attack actually came on June 22.

On July 2, 1941, immediately after an Imperial Council meeting, Sorge rushed word to Moscow that the Japanese Government "had decided to rush Southward into French Indo-China and seize various bases."

Move South
In late July and early August, he estimated, the Japanese had mobilized 1,000,000 new men and most had been sent to China or farther South—only a few to Manchuria.

As August closed, the master spy learned the German Embassy had lost hope that Japan would go to war against Russia that year.

Since Ozaki was so close to Konoye, the key man in the negotiations, Sorge got "full and accurate" information on U.S.-Japanese diplomatic sparring.

By October 15, Sorge had passed along "his final sober conclusions that the Japanese had decided to move South, and that there now was no serious danger of an attack by the Kwangtung Army across the Siberian frontier."

He felt, the Army says, that his mission was completed and drafted a suggestion that he be recalled to Russia. Klausen talked him out of sending it, and "three days later, Sorge and Klausen were under arrest."

The Betrayal
It happened like this: Ring members were supposed to have no dealings with Japanese Communists. Mrs. Kitabayashi (Tomo) evidently followed orders. Communist Ito Ritsu thought she had turned against Communism and apparently wanted to get even with her. So without knowing she was one, he told the police she was a spy.

The police picked her up on September 29, 1941. In October they had rounded up the whole crowd.

Sorge and Ozaki were hanged three years later. Miyagi died of tuberculosis during the trial. De Voukolitch died in prison. The report suggests there may have been torture to make him talk.

Klausen got a life sentence. The report indicates he and his wife.

MISS AGNES SMEDLEY'S DENIAL

New York, February 10. Agnes Smedley, Missouri-born writer and lecturer, today said the Army report's charge that she was a Soviet spy and agent is a "despicable lie."

"I am not and never have been a Soviet spy and agent for any country," said Miss Smedley in a statement issued to the press. Miss Smedley accused General MacArthur, whose intelligence staff prepared the report of "sinister political motivations."

Her lawyer, the former Assistant United States Attorney-General, O. John Rogge, demanded that the Army issue "an immediate retraction of the irresponsible and false charges."

Mr. Rogge said: "If any official responsible for the charges will waive immunity, we will establish, to the satisfaction of any American court and jury, that the charges are false and malicious."

Miss Smedley, who spent 12 years in China and served as a special war-time correspondent for the "Manchester Guardian" in China from 1933 to 1941, said in a press conference that the Japanese had printed the same charges "year after year."

She said her name had been on one of the "death lists" of American and other correspondents and radio commentators in China drawn up by the Japanese secret police. She said the Japanese press before the war had called her a "notorious Russian spy" and that everyone who had defended China against Japan was attacked.

Hence, she said, it was not surprising that her name appeared on the files of the Japanese secret police, "which are now in MacArthur's hands."—United Press.

a minor and unwilling spy, may be living in Russia. He was one of those freed by the Americans. Apparently there were other rings operating independently.

Now An MP
The report says somebody in the Sorge ring squealed on Nakanishi Ko, who led a Russian spy ring in China. The police picked him up in Shanghai. He was tried and got a life sentence.

Let out of prison by the Americans, Nakanishi ran in last April's elections and became one of the Communist members of the Japanese Parliament.

And Ito Ritsu is a member of the Central Committee of the Party—one of the four or five top Reds in Japan.

"Can it be," the report asks, "that the Japan Communist Party and the Soviets do not know who really betrayed the ring and so killed Richard Sorge and Ozaki Hozumi?"—Associated Press.

DO YOU KNOW YOUR HONG KONG?
The photo shows part of the Tung Wah Hospital building.



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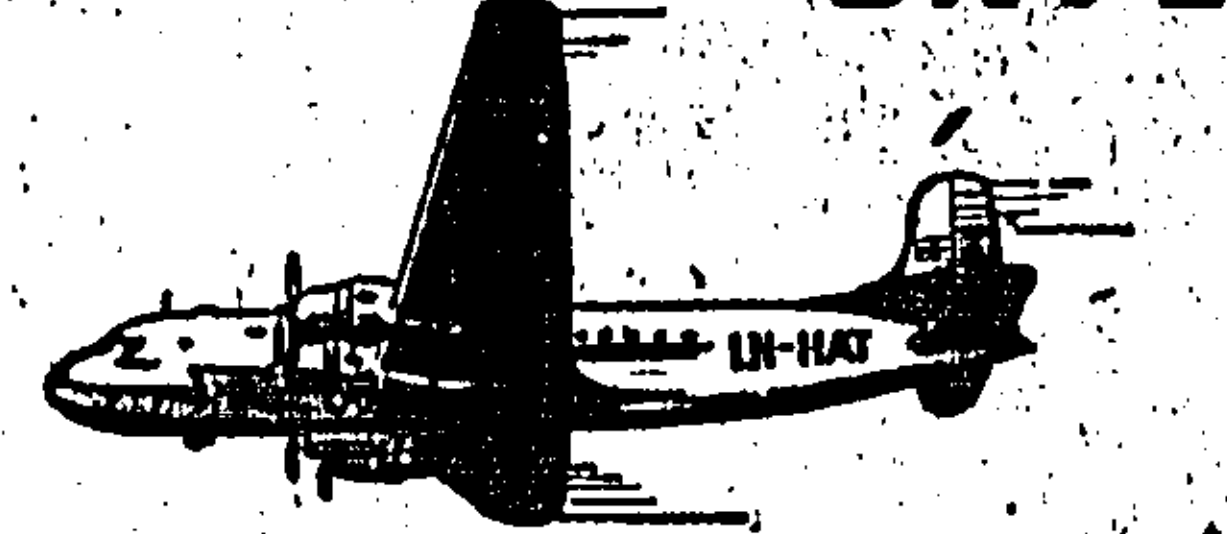
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AUDIT REPORT'S CRITICISMS OF S.T. AND I.

"Actions Taken Without Proper Authority"

An exhaustive analysis of the affairs of the Department of Supplies, Trade and Industry, with continuous criticism of accountability methods, and departures from Colonial Regulations, is contained in a Report approximately 11,000 words long by the Director of Audit, Mr. P. H. Jennings, which was laid on the table in Legislative Council on Wednesday.

Chief criticism is of various actions taken, without it is suggested, proper authority. It is pointed out that the Department's revenue and expenditure has exceeded the Budget for the whole Colony, and that under the system operating the financial transactions of the Department have not been submitted for legislative approval and are not detailed in the published accounts of the Colony.

Below are the principal points dealt with in the Report:

On the hand over of the administration of the Colony by the British Military Administration to Civil Government on May 1, 1946, the Supplies, Trade & Industries Department was formed to continue the functions performed by a similar branch of the British Military Administration. Briefly, its activities could be classified as follows:—

(a) Price control, and distribution of goods in short supply in the Colony, or goods procurable only through government channels.

Apart from the purchase and distribution of coal, flour, meat, rice, sugar, butter, etc., the department was mainly concerned with the completion of the procurement programmes of the British Military Administration. Subsequently, however, the department undertook the procurement of yarn for local industry and the financing of both import and export trade between the Colony and Japan on behalf of local merchants.

Commercial Basis
General authority for the department to be run as a commercial concern was conveyed by the Governor in July, 1946, and the Director, Supplies, Trade and Industries Department, was subsequently allowed discretionary authority to "conclude price agreements with distributors." In the draft of a despatch to the Secretary of State prepared by the Director, Supplies, Trade and Industries, it had been given full authority to fix selling prices at his discretion (except in the case of rice and flour in respect of which Executive Council is consulted). The Audit Department has at no time been informed that this authority was accorded this authority, nor is it known by whom he was so authorised.

In conveying authority for the department to be run as a commercial concern the Governor also authorised salaries to be paid at commercial rates and gave the Director discretionary authority as to recruitment and rates. With a few exceptions for the higher paid posts, all appointments, dismissals, variations in salaries, etc. for the temporary staff have been made by the Director on this authority. It was pointed out to Government that, though the Estimates for Personal Emoluments of the department for the years 1946-47 and 1947-48 did not detail posts etc. and that there may not therefore have been a technical infringement of Colonial Regulation 297 when additions or variations are made by the Director, it is implicit in the Regulations that the Governor should obtain the authority of the Legislature and the covering approval of the Secretary of State for all variations in departmental establishments. It was also brought to the notice of Government that the general authority conveyed by the Governor to the Director must, in any event, be held to be limited to the prior approval of the Secretary of State for the years, since the Governor is not himself authorised to make appointments above this Class without this approval.

Special Arrangements
During the course of the examination of the Personal Emoluments of the department it came under notice that the Director, Mr. R. C. Lee, was employed without remuneration. The terms of Mr. Lee's appointment were not known by the Department. It was also observed that certain temporary appointments were on a part time basis and were therefore suggested to Government that the covering authority of the Secretary of State should be obtained for these arrangements and also for the appointment of Mr. J. A. Galvin as Government's Honorary Agent in Japan. It is understood that Mr. Lee has recently resigned his appointment as Rice Controller.

The manner in which the condemnation of stores and write off of losses were being dealt with in the dumping of a considerable quantity of canned goods

which had deteriorated. In response to a request to be referred to the authority for the write off of the loss involved, the Acting Director replied that he considered that this was implicit in his authority to conduct the department on commercial lines. When bringing the matter to the notice of the Financial Secretary, my predecessor pointed out that the write off of losses and the condemnation of stores should be dealt with in accordance with Colonial Regulations. In his savings account No. 502, the Secretary of State has now stated that Colonial Regulation No. 346 must be held to apply even where stores have been acquired in connection with a government operated commercial undertaking of an emergency nature.

During the examination of the expenditure vouchers of the department, it was observed that Government's regulations in connection with the supply of services were not being adhered to. In no cases that came under review were tenders called for through the Tender Board and arrangements appeared to have been made direct with selected firms by the Director or members of the staff.

In some cases, arrangements were made by exchange of letters; in others it appeared that agreements had been entered into verbally, as no written evidence could be produced on inspection by this department, but in none of the cases was a formal contract entered into as required by General Orders.

Barter Deal
I asked the Director to inform me of the authority under which flour and rice purchased by Government, presumably for distribution to the public, was exchanged for rice. In his reply the Director gave no reference to the authority under which these arrangements were made but stated "my contention, however, is that these barter transactions represent a method, albeit roundabout, of fulfilling the original purpose of the department, namely, to achieve better effect than would be achieved by normal distribution." When commenting on the draft despatch to the Secretary of State prepared by the Director, I expressed the opinion that the Secretary of State should be informed of the matter.

As a result of the original query, it came under notice that the gross proceeds received by Government from the sale of the flour, and the rice received in exchange for flour, appeared to be less than the cost of Government of the flour and rice. The matter of the Director with a request for the loss to be borne by public funds.

Under the terms of the agreement made between the Director, the Colonial Office and the Treasury in the United Kingdom for the handover from the Military Administration to Civil Government, it was provided that the proceeds from the sale of all stores purchased from United Kingdom funds should be paid to His Majesty's Government. It was also provided that after May 1, 1946, all bills presented for payment should be met from civil Government funds irrespective of the period to which they related, and similarly, with the exception of the proceeds from the sale of the stores referred to above, that all revenue received subsequent to May 1, 1946, should accrue to the civil government. Owing to the delay in the rendition of the Crown Agents' accounts and the presentation of invoices, considerable difficulty was experienced in ascertaining which stores had been paid for from United Kingdom funds, but proceeds from the sale of such stores and supplies handled by the Marketing and Rice Sections amounting to \$18,020,112.27 were credited to a deposit account in the Accountant General's accounts in the name of His Majesty's Government in March, 1946.

Hardwood Purchase
In connection with the purchase of a large quantity of hardwood from Indo-China, which was arranged during the period of the British Military Administration, the cost of the freight and handling charges amounted to over four times the cost of the timber at the port of shipment.

This purchase was arranged on behalf of Government by a local firm who received 5% on the cost, plus freight and handling charges, and it was agreed that the firm concerned would take over half of the cost of the timber.

In response to a further minute by my predecessor asking for information as to the ultimate disposal of the timber and what Government had lost or gained on the purchase, the Controller of Stores has recently informed the Financial Secretary that, while records show that all the timber has been issued, there are still a large number of logs in stock and that the timber was considered to be of very poor quality. The value was still further reduced by the logs being cut in two lengths after delivery. The Controller of Stores expresses the view that Government has incurred a heavy loss on the deal but this has not yet been ascertained.

Jumped Goods

It was stated by the Director that the cost of goods dumped could not be ascertained as the bulk of part of a purchase of war materiel, "on an 'as is' basis of so much a ton" which were received in May, 1946. On the basis of selling prices fixed by the Director, however, it was ascertained that the value of the goods dumped amounted to \$51,511.34, and in view of the Director's statement of the effect that selling prices were fixed at 25% over cost, it would appear that the cost could be roughly set at \$500,000, to which should be added the cost of dumping amounting to approximately \$10,000.

In commenting on the matter to the Financial Secretary, my predecessor stated that he was convinced that a policy which aimed at a lower return to Government and to the traders selling the goods, would not have resulted in far more goods being sold and possibly far less being dumped through deterioration. As added "At all events, I myself completely sympathise with the policy of stocks of foodstuffs being held until they deteriorate and then dumped at a time of acute world food shortage (particularly in the United Kingdom) and, in Hong Kong, of notoriously high prices and huge commercial profits."

Industries Section

Under the British Military Administration, and in the early days after the handover to Civil Government, this Section appears to have functioned principally in an advisory capacity in assisting the rehabilitation of industry and accordingly did not come within the purview of audit. In December, 1946, however, it was observed that an Industries Section Suspense Account had been opened and arrangements made for Government to finance trade between Japan and Hong Kong on behalf of local merchants through a "two-way" account with the Supreme Commander for the Allied Powers in Japan.

Subsequent investigation revealed that the activities of the Industries Section had, in fact, been extended to include the purchase and distribution of yarn and for handling the imports from, and exports to, Japan. All payments involved were charged to the Industries Section Suspense account, and receipts from sales were credited to that account. The prior approval of the Secretary of State for the expenditure account method of financing these arrangements was not obtained and as no financial provision had been made in the Estimates for 1946-47 (nor, subsequently, in the Estimates for 1947-48), Government was informed by the action taken appeared to be unconstitutional.

Japanese Trade

The manner in which the arrangements for trade between Hong Kong and Japan is not entirely clear, but in response to a request to be referred to the agreement made with SCAP, my predecessor was informed that the arrangements were "not embodied in any one document" and that "the basis is provided by sundry exchange of communications with SCAP." Copies of the relevant communications were subsequently sent to this Department.

It appears from a telegram dated November 10, 1946, sent by Head of the Industries Section, who was in Japan at this time, that SCAP agreed to the use of sterling as the currency for these arrangements to the extent that balances could be used for imports into Japan, but that any excess accruals (in SCAP favour) should be liquidated in U.S. dollars, at fixed intervals, as a pre-arranged rate. As regards any ultimate balance which may be due to the Hong Kong Government, however, I have seen only a copy of a telegram dated October 6, 1947, from the Government's then Honorary Agent in Japan reading "all balances in dollars." and I have accordingly enquired from the Financial Secretary whether a written acknowledgment of this obligation has been obtained from SCAP.

SCAP Requirement

It appears that when the original arrangements were made, the Supreme Commander for the Allied Powers required that all imports from and exports to, Japan should be handled by the Hong Kong Government. While Government was therefore obliged to act, technically, as a principal, in effect, orders for goods imported from Japan were placed with SCAP by Government at the request of local firms who were required to pay to deposit and sign an undertaking to accept delivery. On arrival, the goods were "sold" to the local firm at landed cost plus Government's profit percentage, which it understood was fixed at 10% until August 15, 1947, when it was reduced to 2½% by the Acting Director. Goods exported to Japan were purchased by Government from local firms for cash and shipped at Government's risk (which was covered by insurance) for sale to SCAP in Japan at landed cost plus Government's profit percentage.

As from September, 1947, trade with Japan was opened to private traders, though the numbers permitted to enter Japan were limited. It appeared, therefore, that it was no longer necessary for trade between Hong Kong and Japan to be handled by Government on behalf of private traders, but in a memorandum addressed to the Accountant General dated September 12, 1947, the Acting Director stated that the Financial Secretary had agreed that "in the interim period before trade could be carried on a sterling basis the department should continue to pass all trade through the two-way account with SCAP."

It was also stated that Government was prepared to act as a "banker" for local traders who made contracts direct with Japanese traders.

It transpired subsequently that goods were consigned by SCAP direct to local importers without advice having been sent to Government and that, in some cases, shipping firms released goods not consigned under Letters of Guarantee given by the Government as a consequence of which Government was not in a position either to insist on pre-payment by the local importers before delivery, nor, in fact, to know what goods had been shipped by SCAP until detailed statements of account were received (at a much later date) of the amounts which SCAP had charged against Government's "Two-way" Account. It is understood that for certain shipments action was taken to obtain details of all cargoes, and the names of consignees, from ships' manifests but the attention of Government was drawn to the possibility of loss in respect of goods not consigned by SCAP to the Supplies, Trade and Industries Department. The Acting Director subsequently stated that SCAP has been informed that Government will accept liability only in respect of goods consigned direct to the Department.

This Department has not been informed of any limitation placed by the Hong Kong Government to the extent to which SCAP might be allowed to be either in debt or credit with Government through the "Two-way" Account, but in a memorandum addressed to the Accountant General, the Acting Director undertook to limit the amount owing by SCAP at any particular time to a maximum of U.S.\$1,750,000, and stated "there is little danger of the amount due to us from SCAP reaching too high a figure as our difficulty is rather the opposite, i.e. that of selling enough to Japan to finance our import trade." We are, in fact, at present relying on purchasing credits from the Singapore Government.

Subsequent audit examination of the "Two-way" Account, revealed that the balance owing by SCAP at December 31, 1947, stood at U.S.\$3,288,885.69. The accumulation of this balance informed by a like amount which has been authorised by the Legislature.

In connection with the purchase from the Malayan Government of credits with SCAP, a query has recently been addressed to the Accountant General by the Hong Kong and Shanghai Bank for the cost of a draft on Singapore for Straits \$3,287,015.69 which has been charged to the Industries Section Suspense Account. No details of the transaction are given, or the Payment Voucher and I have accordingly enquired from the Financial Secretary whether the authority under which the expenditure has been charged to the Suspense Account.

penditure has been charged to the Suspense Account.

Certain discrepancies have been brought to the notice of the Director between statements of account received from SCAP and the account for SCAP in the department's books of account. At the time that the examination was made by this Office, statements from SCAP were available only up to May 31, 1947 in respect of imports from Japan and up to December 31, 1946 in respect of exports to Japan. It is understood, however, that the Chief Accountant of the Supplies, Trade and Industries Department was recently sent to Japan for the purpose of effecting and up to date reconciliation in this connection.

Tokyo Agents

As from September, 1947, when trade with Japan was opened to private traders, Mr. J. A. Galvin was appointed as the Hong Kong Government's agent in Japan on an honorary basis on the recommendation of the Director. Mr. Galvin has formerly been employed in a temporary capacity by the Department as head of the Industries Section, but resigned at the end of July, 1947. When making his recommendation, the Director stated that Mr. Galvin was proceeding to Japan as representative of the "China Mail" and had offered his services to Government in the capacity of Honorary Agent in Japan. Government agreed to refund to him the actual expenditure incurred by him on Government's business. It appears from correspondence between the Governor and His Majesty's Ambassador, Tokyo, however, that Mr. Galvin was also given permission to act as agent for motion local firms conducting trade with Japan, though information to this effect does not appear to have been recorded on the file at the time that Mr. Galvin's appointment was originally approved. Mr. Galvin acted until December, 1947, when he was asked to relinquish his agency and Mr. D. M. Kenrick was employed in a temporary capacity by the Department as Price Controller, was sent to Japan to take over the duties of Government Agent, Japan. It appeared at first that Mr. Kenrick was being transferred on temporary duty, but Mr. Kenrick subsequently stated that his former post and a new Price Controller was appointed. As this action was tantamount to the creation of a new post of Tokyo Agent within the departmental establishment, the attention of Government was drawn to the necessity to obtain the proper covering authority for this appointment.

Mr. Kenrick was first appointed to the post of Price Controller by the Secretary of State at a salary of £1,200 per annum on contract for one year. His contract was subsequently extended for six months and his salary raised to £1,400 per annum with effect from September 11, 1947, the prior approval of the Secretary of State's covering authority was eventually obtained. After the expiry of the extended period, of his contract and before obtaining the Secretary of State's approval for a further extension, authority was given by the Colonial Secretary for Mr. Kenrick to draw a cash advance of £288.33 a month with effect from the date when Mr. Kenrick's wife left the Colony to join him in Japan. Again, as a result of an enquiry by this Department, the Secretary of State's covering authority was obtained for the approval was obtained for the further extension of his contract. I have now enquired whether the authority of the Secretary of State for the duty allowance has been obtained.

No Claim

No claim was made by Mr. J. A. Galvin for expenses, prior to his relinquishing the agency in Japan but I have been informed that Government have approved a lump sum payment to him of HK\$8,000 and U\$82,000 (payable to Mr. Galvin's bank account in New York) which appears to be not payable to him as support with details of the actual expenditure incurred by him on behalf of the Hong Kong Government during the period he acted as Government Agent, Japan.

In January, 1948, the Governor signed an Imposition Warrant for \$10,000 in favour of Mr. Kenrick to be available to him for his personal expenses. The Financial Secretary also approved that expenditure on the purchase of a motor car for the use of the Government Agent, and on the purchase of wines and spirits up to \$250 per month for entertainment purposes by this officer, should also be charged against the "Two-way" Account. My predecessor expressed the opinion that the expenditure incurred in the running of the Government Agency in Japan is not proper charge to the Suspense Account, and that from the point of view of financial control, it is unsatisfactory that it is so irregular that the Government Agent should be authorised to incur expenditure which is outside the authority of the General Warrant and is not limited by the estimates approved by the Legislature.

In the draft despatch to the Secretary of State prepared by the Director, it was stated that Government had made arrangements with the Hong Kong and Shanghai Banking Corporation to operate the Japanese Trade Suspense Account "for Government and to handle all documents making and receiving payment for authorised imports and exports under normal commercial safeguards as to margins etc." and I informed the Colonial Secretary that I had not been informed of the agreement that had been made with the Bank in this connection. I have since seen, on the Supplies, Trade and Industries Department files, a copy of a circular issued by the Financial Secretary, dated March 4, 1948, in which it is stated that the Hong Kong and Shanghai Bank will act as agents for the Government both in Hong Kong and Tokyo, for the examination and forwarding of documents and the receipt of Hong Kong Currency against such documents. Details are also set out in a memorandum attached to the circular as to the procedure for dealing with exports to and imports from Japan, rates of exchange and remittance charges. Full attention is invited to the authority for this agreement.

It is not possible at this stage to form an opinion as to whether the arrangements made by Government for financing trade between Hong Kong and Japan conform with the general policy advised by the Secretary of State since it is not known whether all communications from the Secretary of State have been passed to this Department, but I am not fully satisfied that the present arrangements do conform with the Secretary of State's requirements. It is assumed, however, that the matter will be fully ventilated in the despatch which, it is understood, will shortly be addressed to the Secretary of State.

Catering

On the re-occupation of the Colony, two hotels owned by the Hong Kong and Shanghai Hotels Ltd., were requisitioned and these remained under control until June 15, 1946. The catering at these hotels was also undertaken by the British Military Administration and continued after the handover to civil government until June, 1946, and responsibility for the accounts in this connection was assumed by the Catering Section of the Supplies, Trade and Industries Department. As the hotels were not de-requisitioned until June 15, 1946, the final settlement with Hong Kong and Shanghai Hotels Co., became the responsibility of the Civil Government. In arriving at the settlement, the amounts due to the Government in respect of rates, etc. have been offset against amounts due in respect of counter-claims made by the hotels, and a "final claim" sent by the Accountant General in April, 1947, showing a net balance due to Government of £27,140.03 was offset by counter-claims by the Company amounting to £80,837.63. It is not known whether a final settlement has yet been reached, but on September 11, 1947, the Accountant General wrote to the Hong Kong and Shanghai Hotels Ltd. to confirm a verbal "final agreement" to the effect that Government would pay the Company \$12,000, on condition that the Company returned Government beds and mattresses from the Department's stores. The matter is still under investigation by this Department and I have not yet been informed of the authority for the terms of the proposed settlement.

Coal and Firewood

During the period of the British Military Administration, coal was obtained from Japan and shipments from this source have been continued up to date and the cost has been charged to the Hong Kong Government in the "Two-way" Account maintained by Government with SCAP. In this connection, it has been observed that liability for shipments of coal received during the period of the British Military Administration has been preferred against the statement of account received from SCAP for the period up to December 31, 1946 and that this liability is included in the ledger account for SCAP maintained by the Supplies, Trade and Industries Department. While the assumption of this liability would appear to be in accord with the terms of the agreement for the handover to Civil Government, it has been observed from correspondence on the Department's files that the method of settlement with SCAP involved the subject of general telegraphic communications with the War Office during the period of the British Military Administration, during which the War Office instructed, inter alia, that settlement should not be effected by barter and that the price of U.S.\$10 a ton was not agreed. My predecessor accordingly enquired whether any arrangements for settlement of this liability were effected by the War Office and I have been informed that the matter has been taken up with the Crown Agents for the Colonies.

Firewood

After the handover to the Civil Government, on May 1, 1946, the supply of firewood continued to be obtained through Mr. Phillips' Agency (in Batavia) and the arrangements for the supply and the local distribution of firewood at prices fixed by the Director was maintained by the Director. A separate Suspense Account was maintained, to which receipts and payments arising from this activity

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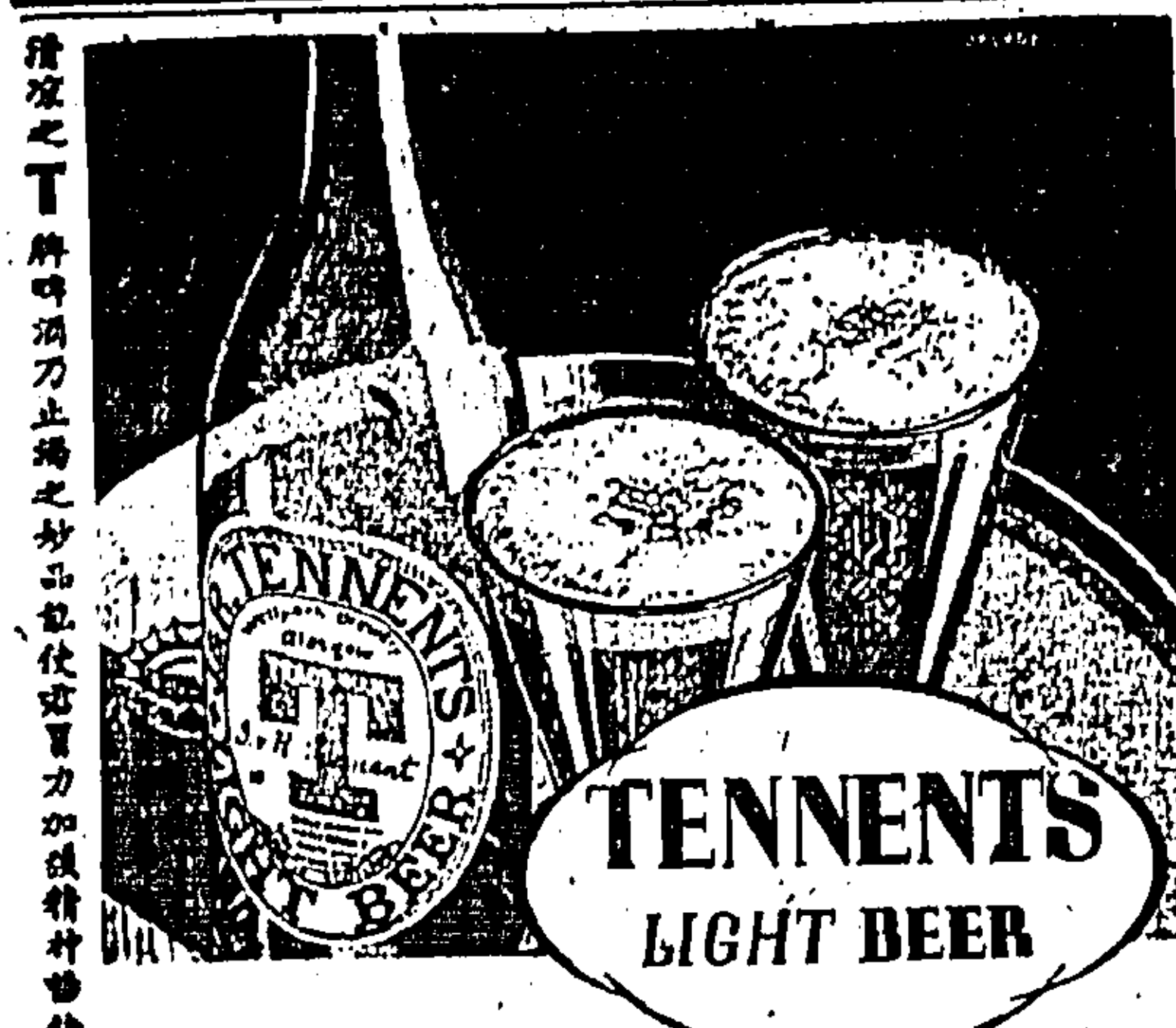
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Firewood

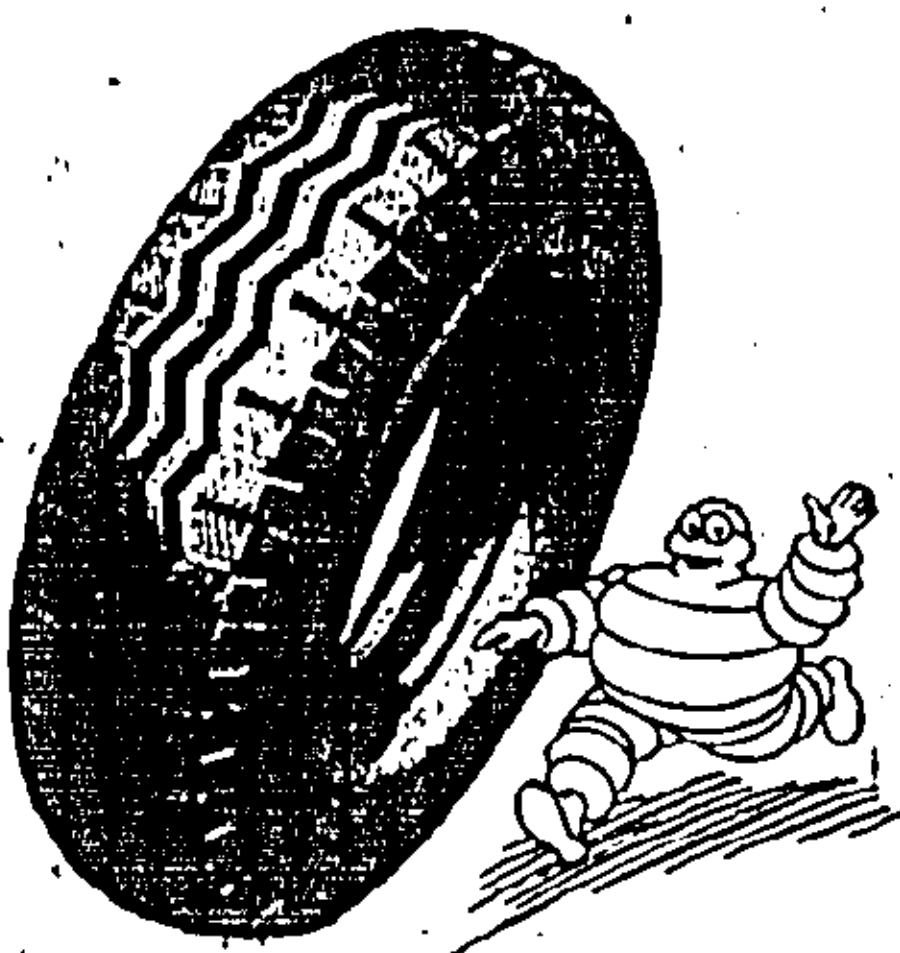
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Audit Report's Criticisms Of S.T. And I.

(Continued from Page 8)

were charged. The agreement with Mr. Phillips subsequently lapsed, after arrangements had been made for supply direct from the North Borneo Trading Co. Ltd., and Mr. Phillips submitted a claim for his commission and expenses.

This matter is still under examination and also with regard to considerable discrepancies between quantities of timber shipped and paid for export in North Borneo and the quantities shown in the Departmental records as received in Hong Kong. Some of these discrepancies appear to be excessive.

Army Rations

During the period of the Military Administration, a Section was set up to handle the distribution of food and other necessities to Government officials and employees of essential services entitled to free rations, of army rations provided by the Royal Army Service Corps. The Section closed down on May 15, 1946, after the handover to Civil Government, but a Suspense account was opened to which receipts in respect of rations issued on repayment were credited.

An attempt was made to audit accounts of this Section but this examination had to be abandoned owing to the unsatisfactory and incomplete state of the accounts. The Accountant General called for the Director's comments on the state of the account but it is not known what action, if any, was taken in the matter.

No expenditure has been charged to the Suspense account and no revenue has been credited since January, 1947. It appears that the receipts should accrue to revenue in accordance with the terms of the agreement for the handover from the British Military Administration to Civil Government and the matter has been taken up with the Accountant General.

Summary

Attached as Annexure B is a summary of the findings of the audit, payments and balances of the Suspense accounts maintained for the various activities undertaken by the Supplies Trade and Industries Department during the periods May 1, 1946 to March 31, 1947, and April 1, 1947 to December 31, 1947.

Examination of this statement shows that the total expenditure for 1946-47 incurred and charged to Suspense accounts under the authority of the Director, exceeded by over \$13,000,000, the total voted expenditure (including Loan Expenditure) of the Colony, which amounted to \$115,983,137.48 for the same period. In the financial year 1947-48, the expenditure incurred by the Supplies Trade and Industries Department up to December 31, 1947, exceeded the total voted expenditure (including Loan Expenditure) of the Colony for the same period by over \$93,000,000; the total of the Colony's voted expenditure, as shown in the Accountant General's accounts up to December 31, 1947, being \$98,915,125.80.

This comparison serves to endorse the general conclusion that it is clearly unsatisfactory the expenditure of public funds by the Supplies Trade and Industries Department should not be subject to control by the Legislature, nor receive the approval of the Secretary of State, and the equally unsatisfactory that since expenditure is met from surplus balances, and receipts are added thereto, the extent and nature of the financial transactions of the Department are not detailed in the published accounts of the Colony. The Accountant General has informed me that the departmental accounts kept by the Supplies Trade and Industries Department have not yet been reconciled with the balances in the Accountant General's accounts, at March 31, 1947.

FINANCIAL

SECRETARY REPLIES

The salient features of a Memorandum by the Financial Secretary commenting on the Audit Report are appended: Members of the Council are no doubt aware of the reasons which compelled the setting up of this Department and of its early history.

In the conditions which existed after the re-occupation of the Colony, it was clearly impracticable to follow the detailed system of accounting laid down by Colonial Regulations, which was designed for uniformity of accounting. It was obvious that commercial operations of this kind, and on the scale involved, would require considerable modification of the Regulations in the direction of orthodox commercial practice, if efficiency was to be maintained and public funds adequately safeguarded. Accordingly, at a time when a complete breakdown in operation was threatened by staffing difficulties, authority was given by the Governor to the Director to carry on his trading activities on a commercial basis, and to recruit his staff as best he might on commercial rates of pay. It will be observed that the Director of Audit has queried the fact that certain members of the staff were employed on a part-time basis, while others gave their services in an honorary capacity without remuneration. This was the only means of avoiding a breakdown and it was extremely fortunate that there were persons with the necessary commercial experience who were public spirited enough to offer their services.

The operation of the Department on a commercial basis necessitated the opening of Suspense Accounts to which payments and receipts could be debited and credited. Suspense Accounts were opened at various times.

Of these the following accounts are no longer active and are being cleared: Catering, Peas, Fuel Oil, UNRRA Clothing Distribution. It is proposed that the remaining accounts shall be grouped under the following headings with maximum as indicated: Dry Goods \$10,000,000, Fuel \$10,000,000, Cotton Yarn \$15,000,000, Japanese Trade \$10,000,000. It is and has always been the intention of Government to divest itself of its trading activities at the earliest possible moment, but this has been impracticable owing to the urgent need for goods under allocation or where trade with any particular country must be on a Government to Government basis.

The establishment of these Suspense Accounts in theory involves the use of Government's surplus balances, and therefore requires approval by the Secretary of State. But in fact the reason has been that over the whole field there has been a substantial credit, and Government, by having the use of the surplus funds, has been able to postpone raising the balance of the Rehabilitation Loan, thereby avoiding the heavy liability for interest charges which would have been incurred. The Secretary of State has been aware throughout that these operations have been carried out. In the case of Japanese trade, the "open account" system has been in force in the United Kingdom and Singapore also, as being the only method whereby trade could be conducted at the time; the Secretary of State has been throughout cognisant of our operations, which were in fact conducted until September 1946 through the United Kingdom Liaison Mission in Tokyo.

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SHARP U.S. ATTACK ON BUDAPEST GOVERNMENT

Washington, February 9.

H.K. Broadcast "Unsuitable"

London, February 9.

Mr. Leonard Gammans, Conservative Member, asked in the House of Commons today if the Colonial Secretary, Mr. Arthur Creech Jones, knows that many of the British Broadcasting Corporation talks retransmitted by Hong Kong Radio are most unsuitable for Chinese listeners.

Mr. Gammans, who recently paid a short visit to Hong Kong, wanted to know what arrangements are in force for consulting the public in the Colony about the nature of these BBC recordings.

Mr. Creech Jones replied that he is consulting the Governor of Hong Kong on these points and will communicate his reply to Mr. Gammans.—Reuter.

The Western powers may accuse Hungary before the United Nations of consistently violating its peace treaty obligations on human rights, Mr. Dean Acheson, the Secretary of State, said tonight.

He told a press conference that the trial and sentence of Cardinal Mindszenty constitute a "threat to free institutions everywhere" and said the Hungarian Government must "bear full responsibility for its actions."

In a statement issued at his weekly press conference, Mr. Acheson said: "The cases of Cardinal Mindszenty and other Hungarian Church leaders are not isolated developments. During the past two years, with governmental power entirely in the hands of the minority Communist Party, the people of Hungary have been increasingly denied the exercise of their fundamental rights and freedoms."



CARDINAL MINDSZENTY

Lutheran Bishop Lajos Ordass and other Church leaders in Hungary. "The Soviet-controlled Hungarian authorities seek to discredit and coerce religious leaders in Hungary to remove this source of moral resistance to Communism."

There are many possible sources of action, he added, but declined to go into details, saying he does not wish to "think aloud" on the subject.

Moral Resistance

Mr. Acheson described the Hungarian charges that Mr. Selden Chapin, United States Minister to Hungary, had assisted Cardinal Mindszenty in illegal activities as "totally false, baseless and outrageous."

He said there had been no official communication with the Hungarian Government on this aspect of the case.

In his official statement, the Secretary of State said the Hungarian Government is making a "conscienceless attack upon religion and personal freedom."

He linked the Cardinal's sentence with the "persecution" of

Police State

"In their conduct of the case of Cardinal Mindszenty, the Hungarian authorities do not appear to have omitted any of the usual methods practised by a police state."

"Such proceedings constitute not the administration of justice but wanton persecution," Mr. Acheson said. They had evoked universal condemnation and the Hungarian Government must bear full responsibility for its actions.

"The people of the United States and without question the peoples of other free nations are gripped and horrified by these developments and fully comprehend the threat they constitute to free institutions everywhere."—Reuter.

Russians Drop A Hint To Finland

Moscow, February 10.

The Soviet Union wants Finland to abandon any idea of joining a Scandinavian defence alliance.

This is the clear indication behind an article in the Russian trade union paper "Trud" today.

The article tells Finland's Cabinet (predominantly Socialist-Democrat) that attempts to turn Finland's foreign policy into the path of direct or indirect agreement with "the Anglo-American expansionists" are a dangerous course.

"Trud" says that Scandinavian "expansionists" have not given up their attempts to "nail together a Northern alliance."

"Trud" quotes Dr. Halvard Lange (the Norwegian Foreign Minister now in Washington) as saying that he plans certain conditions to involve Finland in this Northern Alliance "under the wing of the American militarists."

Earlier, "Trud" said public opinion in Finland is showing increasing resistance to "the reactionary domestic and foreign policy of the Fagerholm Government."

It contrasts this with the "friendly policy" of the earlier (extreme leftist) Cabinet of M. Bruno Pekkala towards the Soviet Union and pictures an increasing Western orientation of policy, by the Finnish Government.—Reuter.

MYSTERY DISEASE

Paris, February 9.

The Renault motor factory has called in specialists of the Pasteur Science Institute to identify a mysterious eye disease affecting 250 to 300 of the firm's 30,000 workmen.

Professor Hartmann, an eye specialist of a big Paris hospital, has visited the factory to examine the patients and make tests. The disease, marked by inflammation of the eye lids and eye watering, was first attributed to flying cinders, but it became evident it was infectious. The Renault administration called in experts. The cases are now less numerous.

The figure of \$240,000 quoted as the value of the goods written off is a token figure only; as the goods were purchased for a lump sum and no financial loss was incurred, no real value can be assigned to them.

It should also be stressed that, once the goods had been condemned by the Health authorities, it was necessary to proceed with their disposal immediately both on grounds of public health and to avoid further storage charges.

The comments of the Director of Audit on trade with Japan are, as he himself admits, based on incomplete information regarding the considerations involved. Much of the correspondence relating to Japanese trade is secret and may not yet be disclosed, but it is common knowledge that His Majesty's Government has made with the Supreme Commander, Allied Powers, an Overall Agreement governing trade between the sterling area and Japan, and that Hong Kong has been excluded from this agreement. This has given rise to some confusion as certain requirements under the sterling area agreement to which the Director of Audit has drawn attention such as the necessity for restricting imports to essentials do not apply to this Colony.

The implication in paragraph 48 of the Report that this Government is not conforming with the instructions of the Secretary of State is based on a misunderstanding of the position and is not accepted.

The Charter Bank of India, Australia and China are closing their Hong Kong branch at the end of this month. The branch was opened 88 years ago and had been operated ever since except the war years 1941 to 1945. They closed their Chungking branch last December.

Most foreign firms have reduced their staff considerably in Hong Kong during the past few months due to lack of business.—Reuter.

BANK CLOSING DOWN IN HANKOW

Hankow, February 10.

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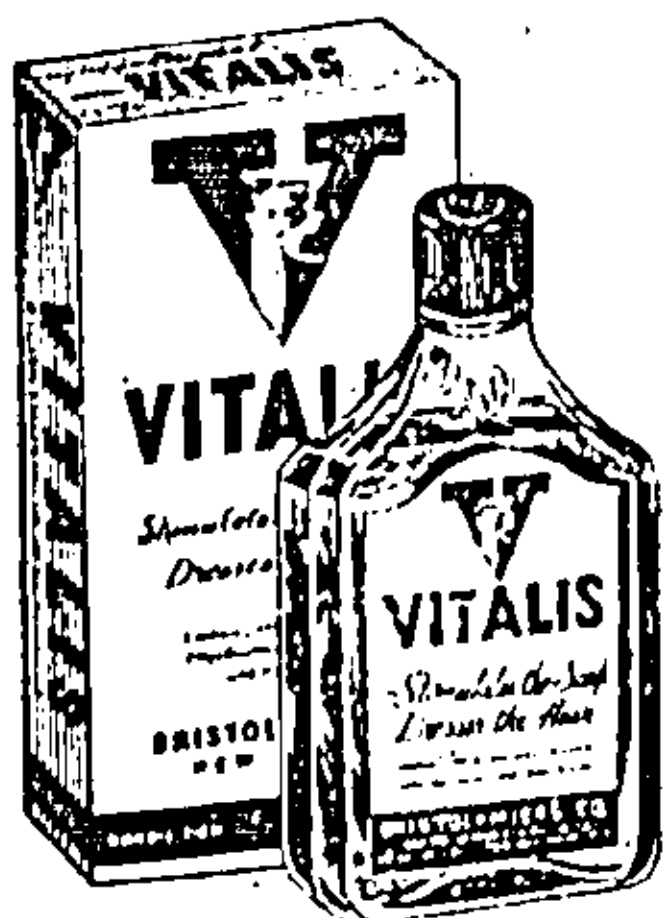
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THE EIGHTIETH INSTALMENT

CRUSADE IN EUROPE

Gen. Dwight D. Eisenhower's Own Story
Of The War In Europe

When I returned to the United States in late 1945 as Chief of Staff of the Army, I continued to urge the wisdom of this move upon Secretary Byrnes, but learned that he had undergone a change of heart. Though always agreed in principle, he would not agree to implement the idea because of the administrative and financial burdens that would thus be placed upon the State Department.

Another item on which I ventured to advise President Truman involved the Soviets' intention to enter the Japanese war. I told him that since reports indicated the imminence of Japan's collapse, I deprecated that war. I foresaw certain difficulties arising out of such participation and suggested that, at the very least, we ought not to put ourselves in the position of requesting or begging for Soviet aid. It was my personal opinion that no victory came before they could get in. However, I did not then foresee the future relentless struggle born in ideological antagonisms, or the paralysis of international co-operation because of that struggle. I merely feared serious administrative complications and possible revival of old Russian claims and purposes in the Far East that might prove very embarrassing to our own country.

A third suggestion I made to the President was that we preserve some flexibility in the termination of Lend-Lease arrangements with the French and British. I was unfamiliar with the exact provisions of the law covering the matter, but I knew that the mere cessation of hostilities did not instantly and appreciably lessen French and British need for quantities of food and supplies from us, upon which they had counted with confidence. I thought that arbitrary and sudden termination of the agreement should be avoided in favour of a scheme that would give these countries a chance for prompt readjustment.

I informed the President of my belief that we should handle the German economy, and particularly the problem of reparations, in such a way as to insure Germans an opportunity to make a living, provided they were ready to work. Of this

readiness there was no doubt. From the day we entered Germany the willingness of the ordinary citizen to work from dawn to dark for a meagre living was noticeable. Even before we crossed the Rhine, I had seen German women and their children in the fields, under sporadic gunfire, spading the ground and planting seed in order to produce some semblance of a crop that year.

Clay and I were convinced that rehabilitation of Germany was vital to our high interests. Nowhere else in Europe were there coal deposits equal in quantity and so easily workable. And already it was apparent that coal would be the key to successful administration of occupied Germany. Without coal, transportation could not be stored and without transportation the whole country would remain paralysed. I told the President that unless we emphasised Ruhr rehabilitation Germany would soon be starving. Americans, of course, would never permit even their former enemies to starve and would voluntarily assume the costly task of feeding them. But I thought that this financial burden could be prevented. It appeared to me that if Ruhr coal production were pushed and transportation restored Germany could soon be exporting products of light industry not in any way related to the banned war industries. Payment for these would enable her to buy and import from others among food stocks to meet inevitable shortages.

At Potsdam, I called several times upon various members of the American delegation, but because the European war was over I did not participate in the conference either as an official witness or as an adviser.

I had a long talk with Secretary Stimson, who told me that very shortly there would be a test in New Mexico of the atomic bomb, which American scientists had finally succeeded in developing. The results of the successful test were soon communicated to the Secretary by cable. He was tremendously relieved, for he had apparently followed the development with intense interest and felt a keen sense of responsibility for the amount of money and resources that had been devoted to it. I expressed the hope that we would never have to use such a thing against any enemy because

I disliked seeing the United States take the lead in introducing into war something as horrible and destructive as this new weapon was described to be. Moreover, I mistakenly had some faint hope that if we never used the weapon in war other nations might remain ignorant of the fact that the problem of nuclear fission had been solved. I did not then know, of course, that an army of scientists had been engaged in the production of this weapon since 1939.

In this vital matter could not have been maintained. My views were merely personal and immediate reactions; they were not based upon any analysis of the subject. In any event it was decided that unless Japan surrendered promptly in accordance with the demands communicated to the Japanese Government from Potsdam the plan for using the atomic bomb would be carried out.

While the President was in Germany he expressed a desire to inspect some American troops. I arranged for him to come into the American area and, by good fortune, the 84th Division was selected as one of those he was to see. In that division his cousin, Colonel Louis Truman, was chief of staff; and so the meeting was not only a pleasant official experience for the President but held a nice personal touch as well.

One day when the President was riding with General Bradley and me he fell to discussing the future of some of our war leaders. I told him that I had no ambition except to retire to a quiet home and from there what little I could to help our people understand some of the great changes the war had brought to the world and the inescapable responsibilities that would devolve upon us all as a result of these changes. I shall never forget the President's answer. Up to that time I had met him casually on only two or three occasions. I had breakfasted with him informally and had found him sincere,

RUSSIA SUPPORTING YUGOSLAVIAN CLAIM

London, February 9.

Mr. George Zarubin, the Soviet delegate, proposed at a meeting of the special deputies of the Big Four Foreign Ministers here today that Yugoslavia's claim to the Austrian province of Slovene Carinthia be reheard. The deputies failed to agree on the proposal.

Observers infer that Soviet support for Yugoslavia's claim is unchanged despite the rift between Marshal Tito and the Cominform.

Today's meeting was called to discover whether, following Austria's appeal for resumed negotiations on the Austrian State treaty, a basis can be found for further talks.

The French deputy, M. Marcel Berthelot, said he will be willing to receive in writing any further proposals which may be made by Yugoslavia but that this does not affect insistence by the French Government that Austria's pre-war frontiers must be maintained intact.

The American deputy, Mr. Samuel Reber, who is presiding over the meeting, insisted that the people of Austria must be reassured by the re-establishment, under the Austrian State treaty, of the Austrian frontiers of 1938.

Britain's View

Mr. Reber said that provided these frontiers are agreed to, he will consider any special arrangements which Yugoslavia may put forward.

This suggestion is understood in diplomatic quarters in London to refer not to the frontiers of Austria, but to the frontiers of the Yugoslav State.

earnest, and a most pleasant person with whom to deal. Now, in the car, he suddenly turned toward me and said: "General, there is nothing that you may want that I won't try to help you get. That definitely and specifically includes the presidency in 1948."

To Be Continued

Colonial Governor's Attack

London, February 9.

The Colonial Secretary, Mr. Creech Jones, today told the House of Commons that 'that sugar planters in the Leeward Islands had not sought the recall of the Governor, Earl Baldwin, of Leeward, and that he himself had not "taken umbrage" at the Governor's speech in the House of Commons last December.

Embarrassed by questions from both Labour and Conservative Members on Lord Baldwin's recall and reiterated demands by Labour Members that the Governor return to the Islands, Mr. Creech Jones would say only that he is coming home for "consultations" on the problems of the Leeward Islands.

In his speech before the Legislative Council, Lord Baldwin criticised the London Colonial Administration. The many commissions and committees which visit the West Indies write "hundreds and hundreds of pages" of suggestions, but do not send any money, he said.—Reuter.

Mass Desertion By Seamen

New York, February 10.

It was disclosed today that 19 seamen deserted the Polish motor ship Batory the last time it was in port rather than go back to their Communist-dominated homeland.

The mass desertion followed a series of ship jumpings by smaller groups in recent months, from both the Batory and its sister ship the Sobieski.

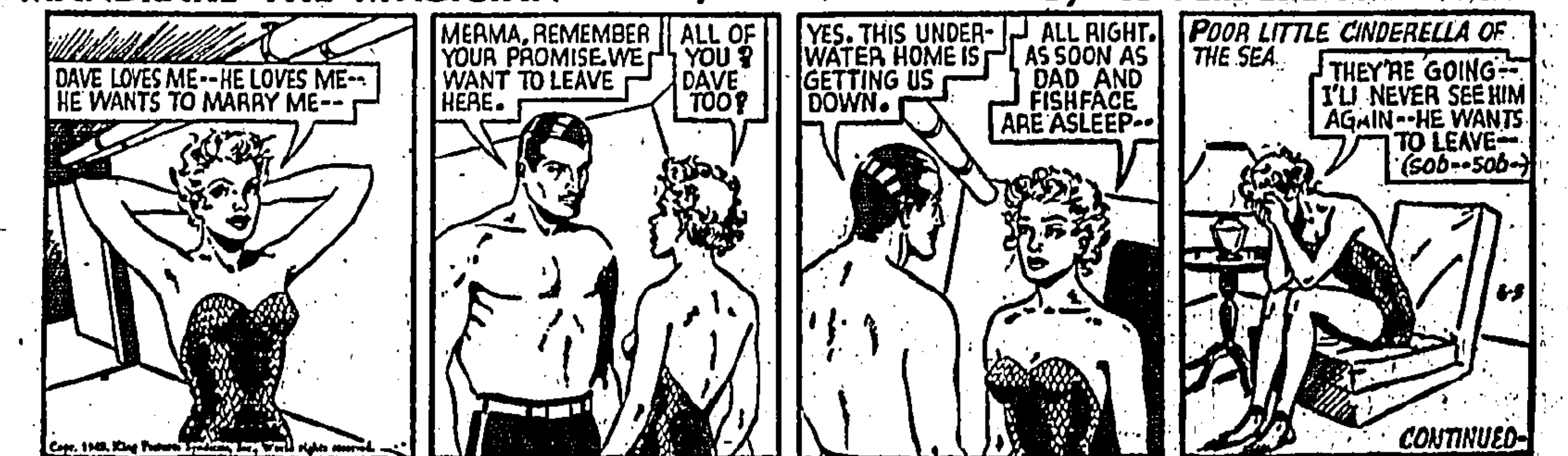
Officials of the Gdynia American Line admit the desertions. Immigration officials are looking for the seamen.—United Press.

POP



MANDRAKE THE MAGICIAN

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By ALEX. RAYMOND



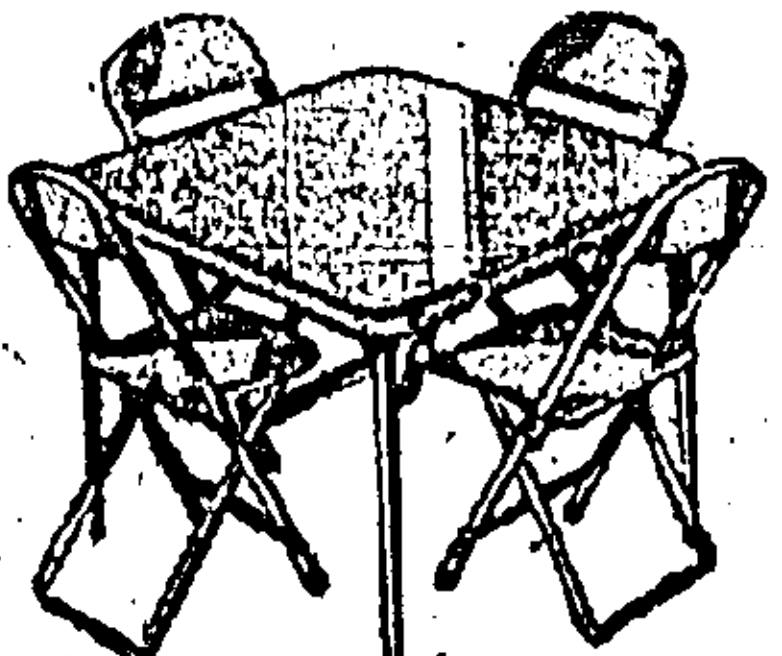
HONG KONG FILM AND THEATRE NEWS

FEBRUARY

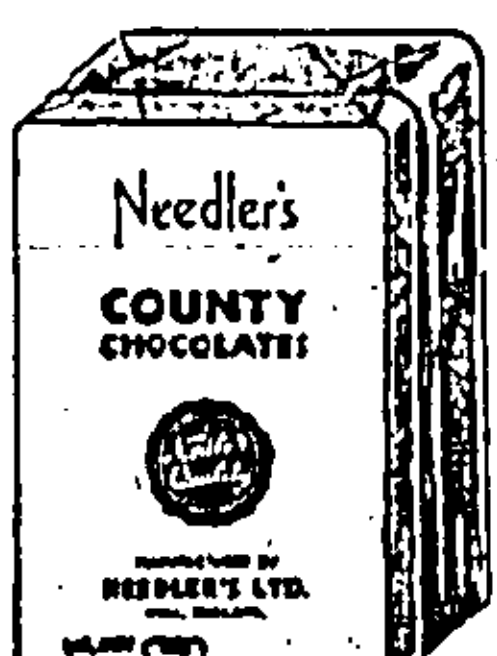
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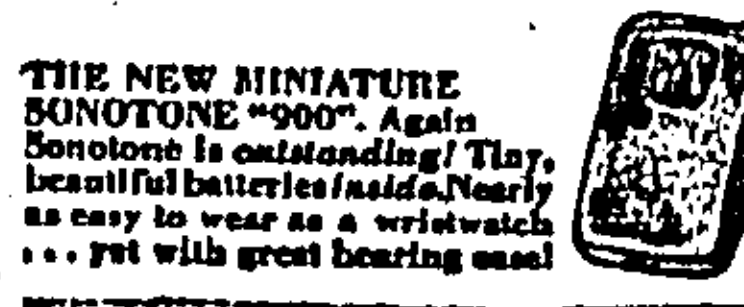
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"TSINAN"	Swatow	10 a.m. 13th Feb.
"HEINRICH JESSEN"	Amoy Swatow Hainan	10 a.m. 14th Feb.
"PRODUCE"	Yokohama & Kobe	4 p.m. 14th Feb.
"TSINAN"	Swatow	3 p.m. 16th Feb.
"FOYANG"	Bangkok	4 p.m. 17th Feb.
"SINKOW"	Singapore	4 p.m. 17th Feb.
"FENGTIEN"	Swatow, Singapore, Palembang & Sibiu	10 a.m. 19th Feb.
"SHENKING"	Singapore, Macassar, Sourabaya & Batavia	4 p.m. 21st Feb.
"HUNAN"	Shanghai & Fusan	10 a.m. 22nd Feb.

Sails from Cantonian Wharf

"PRODUCE"	Bangkok	Daylight 12th Feb.
"FOYANG"	Kobe	14th Feb.
"TSINAN"	Swatow	3 a.m. 15th Feb.
"SINKOW"	Borneo & Hainan	15/16th Feb.
"SINKOW"	Shanghai & Keelung	15/16th Feb.
"NINGHAI"	Singapore	16th Feb.
"HUNAN"	Korea	17th Feb.
"FENGTIEN"	Kobe	18th Feb.
"SHENKING"	Shanghai & Keelung	19th Feb.

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"CYCLOPS"	via Port Sudan, Genoa & Marseilles	23rd Feb.
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Arrivals from

"ACHILLES"	U.K. via Straits	13th Feb.
"MEDON"	U.K. via Straits & Manila	17th Feb.
"ELPENOR"	U.K. via Straits	11th Mar.
"CLYTONUS"	U.K. via Straits	11th Mar.
"TITAN"	U.K. via Straits	26th Mar.

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"CHANGTSE"	Sydney & Melbourne	24th Feb.
"SOOCHOW"	Sydney, Melbourne & Brisbane	2nd week Mar.

Arrivals from

"CHANGTSE"	Japan	21st Feb.
"SOOCHOW"	Australia & Manila	1st week Mar.

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HOPES NOT ABANDONED FOR NORTHERN TREATY

Washington, February 9.

Film Stars Sentenced

Los Angeles, February 9.
The film star, Robert Mitchum, was sentenced today to 60 days imprisonment on a charge of having conspired to possess marijuana (drug) cigarettes.

An actress, Lila Leeds, convicted with Mitchum on marijuana possession charges, was also sentenced to 60 days imprisonment.

Superior Judge Clement Nye first announced a dual sentence of the year for Mitchum and Leeds, and then said that it would be suspended.

He placed Mitchum, who is 31, and Lila Leeds, who says she is 20, on probation for two years with the provision that they spend the first 60 days in jail. Associated Press.

Mediterranean Defence Pact?

Istanbul, February 9.

The Turkish Foreign Minister, Necmeddin Hadak, said today that a system for keeping peace in the Mediterranean is just as necessary as one for keeping peace in the North Atlantic.

The Minister's words again raise the possibility of a Mediterranean defence pact to parallel the projected North Atlantic Pact.

He made the statement on the eve of his departure for Paris, where he will attend a Marshall Plan meeting—United Press.

RADIO

This is Radio Hong Kong broadcasting on a frequency of 845 kilocycles per second and on 0.52 megacycles per second in the 31 metre band.

11.15 p.m.—Catholic Prayers given by the Rev. Father R.W. Gallagher, S.J. (Studio).
12.30 p.m.—Daily Programme Summary.
12.35 p.m.—"Hand Call" BIC Variety Orchestra under Ray Jenkins with Denny Dennis and Chorus (HICTS).
1.00 p.m.—River Review.
1.15 p.m.—News, Weather Report and Announcements.
1.25 p.m.—Orchestral Interlude.
1.30 p.m.—"Music For You".
2.00 p.m.—Class Drama.
2.05 p.m.—Programme Summary.
2.10 p.m.—Composers Cavalcade: Robert Stolz (ORHS).
2.30 p.m.—Cantonese by Radio given by Miss Lee Wat Lan and S.K. Lee (Studio).
2.40 p.m.—Edmund Ross and His Rumba Band.
2.50 p.m.—World News and News Analysis (London Relay).
3.00 p.m.—Sporting Review (Studio).
3.10 p.m.—Variety Band from the Galleries Green Hippodrome, London (HIC).
3.20 p.m.—"From the Editorials" (London Relay).
3.30 p.m.—"The Man Who is King" by Dorothy L. Sayers (HICTS).
3.40 p.m.—Sporting Review (Studio).
3.50 p.m.—Vocal Recital by Lila Vincent (Contralto) with piano accompaniment by Betty Brown (Studio).
4.00 p.m.—A Story: "Here comes the Copper" Read by Clifford Davies (Studio).
4.15 p.m.—A Short Programme of the Music of Beethoven (HICTS).
4.30 p.m.—Radio News Reel (London Relay).
4.40 p.m.—Weather Report.
4.50 p.m.—"The Old Rocking Chair". A Programme of Old-Time Melodies and Songs introduced by Christopher Stone (HICTS).
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JAVA-CHINA-JAPAN SERVICE

Arrivals	Salings
"TJISADANE" In port	to Javaports & Macassar 17th Feb.
"TASMAN" from Macassar & Javaports 10th Feb.	to Manila 8th March.
"TJITALENGKA" In port	to Javaports & Macassar 3rd March.

ASIA-AFRICA-SOUTH AMERICA SERVICE

Arrivals	Salings
"RUYS" In port	to South Africa & South America 23rd February.

"STRAAT SOENDA" from South Africa 13th February.	to South Africa 21st March.
"BOISSEVAIN" from South America & South Africa 31st March.	to South Africa & South America 18th April.
"STRAAT MALAKKA" from South America & South Africa 5th March.	to South Africa & South America 12th May.

All Steamers Calling Mombasa & L. Marques Direct. Transhipment cargo on through B/L to Dar-Es-Salaam. Zanzibar accepted on all sailings.

SUMATRA-MALAYA-CHINA SERVICE

Arrivals	Salings
"VAN HEUTSZ" from Amoy & Swatow 20th Feb.	to Straits & B. Dell 27th Feb.
"VAN RIEMSDIJK" from B. Dell & S'pore 8th Mar.	to Straits & B. Dell 17th Mar.

Agents: HOLLAND-EAST ASIA LINE

Arrivals	Salings
"RIJNKERK" from Europe 19th Feb.	to S'hai, Japan via Keelung 21st Feb.
"MELISKERK" from Europe Early March.	to Europe via Manila & Straits Early March.
"MARIEKERK" from Europe Early April.	to Europe via Manila & Straits Mid. March.
"MOLEKERK" from Europe Early May.	to Europe via Manila & Straits Mid May.

Transhipment cargo on through B/L accepted to Mediterranean and Northern European ports. Office Address: King's Building, Phones: 28015, 28016 & 28017 Chinese Agents: 87, Connaught Rd., Tel. 31198 & 21533

DE LA RAMA LINES

EXPRESS CARGO LINER SERVICES TO AND FROM PACIFIC & ATLANTIC COASTS

ARRIVING FROM U.S. ATLANTIC COAST VIA LOS ANGELES & SAN FRANCISCO
m.v. "TONGHAI" 10th Feb.
s.s. "DONA AURORA" 11th Apr.

SAILING FOR U.S. ATLANTIC COAST VIA LOS ANGELES
m.v. "BATAAN" 22nd Feb.
m.v. "BENGAL" 3rd Mar.
s.s. "DONA AURORA" 15th Apr.

THE DE LA RAMA STEAMSHIP CO., INC.

(Incorporated in the Philippines)
MARINA HOUSE CHINESE SHIPPING OFFICE
Tel. 23676-23678 Tel. 23738-20153

THE EAST ASIATIC CO., LTD.

OF COPENHAGEN

M.S. "MALACCA"

Loading 13th FEBRUARY

for
ADEN, PORT SAID, GENOA, CASABLANCA, ANTWERP, ROTTERDAM, HAMBURG, OSLO, GOTHENBURG AND COPENHAGEN.

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18 Connaught Road West. Telephone 81638

SAILINGS

S.S. HAI TSIN	Haiphong & Haikow	Feb. 11
S.S. HAI TAI	Tham Kong	Feb. 12
S.S. HAI NIA	Singapore	Feb. 13
S.S. HAI TIEN	Singapore & Penang	Feb. 17

(With Passenger Accommodation)

Cargo for Teikyo, Nippon, & Nippon, acceptable on through bills of lading. For full particulars apply to the above.

FINANCE AND COMMERCE

BRITAIN TRYING TO CAPTURE CANADA'S ENGINEERING MARKET

London, February 10.

Hong Kong Stock Exchange

Another quiet day coupled with irregular rates.

H.K. GOVT. BONDS:
4% Loan 101 1/2.
3 1/2% Loan (1935 & 1940) 100 1/2.
3 1/2% (1948) 101 1/2.

HANKS:
H.K. & S. Bank 183 1/2, 182 1/2.
(Loan, New) 210 1/2.
Chartered Bank 211 1/2, 210 1/2.
Merrill Lynch 211 1/2, 210 1/2.
Bank of East Asia 211 1/2, 210 1/2.

INSURANCE:
Canton Ins. 370.
Union Ins. 71 1/2, 70 1/2.
China Underwriters 52 1/2, 51 1/2.
H.K. Fire Ins. 270.

SHIPPING:
Douglas 23 1/2.
H.K. & S. Steamship 17 1/2.
Indo China (Pref) 6 1/2.
(Ord.) 2 1/2.
Shells (Steam) 7 1/2, 7 1/2.
Union Waterboat 37 1/2.
Asia Mar. 300.

DOCK, WHARVES, GODOWNS, Etc.
H.K. & S. Wharves (Ord) 14 1/2.
(New) 18 1/2.
North Point Wharves 7 1/2, 7 1/2.
H.K. Dock 27 1/2, 27 1/2.
China Providence 19 1/2.
Shanghai Dockyards 10 1/2, 10 1/2.
Wharves 20.

MINING:
Ranch Mines 6 1/2.
H.K. Mines 1 1/2.
LANDS, HOTELS AND BUILDINGS:
H. & S. Hotels 16 1/2, 16 1/2.
H.K. Land 10 1/2, 10 1/2.
Shanghai Lands 3 1/2, 3 1/2.
Humphreys (Ord) 1 1/2, 1 1/2.
(New) 1 1/2.

H.K. Real Estate 2 1/2.
Chinese Estate 17 1/2.
PUBLIC UTILITIES:
H.K. Tramways 20 1/2, 20 1/2.
Peak Tram (Ord) 21 1/2.
(New) 21 1/2.

Star Ferry 12 1/2, 12 1/2.
C. Light (Ord) 15 1/2, 15 1/2.
(New) 11 1/2, 11 1/2.
H.K. Electric 38 1/2, 38 1/2.
Macao Electric 28 1/2, 28 1/2.
Randan Electric 15 1/2.
Telephone 2 1/2.
Shanghai Gas 6 1/2.

INDUSTRIALS:
Gold, Silver, (Ord.) 2 1/2.
Cement 40 1/2, 40 1/2.
H.K. Paper 21 1/2, 21 1/2.
STORAGE:
Dairy Farms (Ord) 4 1/2.
(New) 4 1/2.
Watsons (Ord) 6 1/2.
(New) 6 1/2.
L. Crawford (Ord) 2 1/2.
(New) 2 1/2.

Sincere 6 1/2.
China Embroidery 11 1/2.
Sun Co. 1 1/2.
Kwong Sang Bank 10 1/2.
Wing On (H.K.) 10 1/2.
Wm. Powell, 14 1/2, 14 1/2.

MISCELLANEOUS:
China Entertainment 4 1/2.
H.K. Constructions (Ord) 1 1/2.
(New) 1 1/2.
Vibro (Ord) 1 1/2.
(New) 1 1/2.

Maxman Investments 9 1/2.
Maxman (H.K.) 2 1/2.
Shanghai Loan 2 1/2.
Sun Co. 1 1/2.

COTTONS:
Kwong Sang Bank 10 1/2.
Date Plantations 1 1/2.
Chemical United 2 1/2.
Chemical United 2 1/2.
Consolidated Rubber 1 1/2.
Consolidated Rubber 1 1/2.
Tungsten Rubber 2 1/2.
Tungsten Rubber 2 1/2.
Shanghai Rubber 1 1/2.
Shanghai Rubber 1 1/2.
Shanghai Rubber 1 1/2.
Shanghai Rubber 1 1/2.

NY RUBBER
New York, February 10.
Crude rubber standard futures closed 10 higher with sales of two contracts.

March 18 1/2 bid
Crude Rubber No. 1 futures closed 10 to 15 higher with sales of 92 contracts.

March 18 1/2 bid
May 18 1/2 bid
July 17 1/2 bid
September 17 1/2 bid
Spot No. 1 ribbed smoked sheets 18 3/8 nominal—Associated Press.

Another quiet day coupled with irregular rates.

H.K. GOVT. BONDS:
4% Loan 101 1/2.
3 1/2% Loan (1935 & 1940) 100 1/2.
3 1/2% (1948) 101 1/2.

HANKS:
H.K. & S. Bank 183 1/2, 182 1/2.
(Loan, New) 210 1/2.
Chartered Bank 211 1/2, 210 1/2.
Merrill Lynch 211 1/2, 210 1/2.
Bank of East Asia 211 1/2, 210 1/2.

INSURANCE:
Canton Ins. 370.
Union Ins. 71 1/2, 70 1/2.
China Underwriters 52 1/2, 51 1/2.
H.K. Fire Ins. 270.

SHIPPING:
Douglas 23 1/2.
H.K. & S. Steamship 17 1/2.
Indo China (Pref) 6 1/2.
(Ord.) 2 1/2.
Shells (Steam) 7 1/2, 7 1/2.
Union Waterboat 37 1/2.
Asia Mar. 300.

DOCK, WHARVES, GODOWNS, Etc.
H.K. & S. Wharves (Ord) 14 1/2.
(New) 18 1/2.
North Point Wharves 7 1/2, 7 1/2.
H.K. Dock 27 1/2, 27 1/2.
China Providence 19 1/2.
Shanghai Dockyards 10 1/2, 10 1/2.
Wharves 20.

MINING:
Ranch Mines 6 1/2.
H.K. Mines 1 1/2.
LANDS, HOTELS AND BUILDINGS:
H. & S. Hotels 16 1/2, 16 1/2.
H.K. Land 10 1/2, 10 1/2.
Shanghai Lands 3 1/2, 3 1/2.
Humphreys (Ord) 1 1/2, 1 1/2.
(New) 1 1/2.

H.K. Real Estate 2 1/2.
Chinese Estate 17 1/2.
PUBLIC UTILITIES:
H.K. Tramways 20 1/2, 20 1/2.
Peak Tram (Ord) 21 1/2.
(New) 21 1/2.

Star Ferry 12 1/2, 12 1/2.
C. Light (Ord) 15 1/2, 15 1/2.
(New) 11 1/2, 11 1/2.
H.K. Electric 38 1/2, 38 1/2.
Macao Electric 28 1/2, 28 1/2.
Randan Electric 15 1/2.
Telephone 2 1/2.
Shanghai Gas 6 1/2.

INDUSTRIALS:
Gold, Silver, (Ord.) 2 1/2.
Cement 40 1/2, 40 1/2.
H.K. Paper 21 1/2, 21 1/2.
STORAGE:
Dairy Farms (Ord) 4 1/2.
(New) 4 1/2.
Watsons (Ord) 6 1/2.
(New) 6 1/2.
L. Crawford (Ord) 2 1/2.
(New) 2 1/2.

Sincere 6 1/2.
China Embroidery 11 1/2.
Sun Co. 1 1/2.
Kwong Sang Bank 10 1/2.
Wing On (H.K.) 10 1/2.
Wm. Powell, 14 1/2, 14 1/2.

MISCELLANEOUS:
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Chemical United 2 1/2.
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Spot No. 1 ribbed smoked sheets 18 3/8 nominal—Associated Press.

Another quiet day coupled with irregular rates.

H.K. GOVT. BONDS:
4% Loan 101 1/2.
3 1/2% Loan (1935 & 1940) 100 1/2.
3 1/2% (1948) 101 1/2.

HANKS:
H.K. & S. Bank 183 1/2, 182 1/2.
(Loan, New) 210 1/2.
Chartered Bank 211 1/2, 210 1/2.
Merrill Lynch 211 1/2, 210 1/2.
Bank of East Asia 211 1/2, 210 1/2.

INSURANCE:
Canton Ins. 370.
Union Ins. 71 1/2, 70 1/2.
China Underwriters 52 1/2, 51 1/2.
H.K. Fire Ins. 270.

SHIPPING:
Douglas 23 1/2.
H.K. & S. Steamship 17 1/2.
Indo China (Pref) 6 1/2.
(Ord.) 2 1/2.
Shells (Steam) 7 1/2, 7 1/2.
Union Waterboat 37 1/2.
Asia Mar. 300.

DOCK, WHARVES, GODOWNS, Etc.
H.K. & S. Wharves (Ord) 14 1/2.
(New) 18 1/2.
North Point Wharves 7 1/2, 7 1/2.
H.K. Dock 27 1/2, 27 1/2.
China Providence 19 1/2.
Shanghai Dockyards 10 1/2, 10 1/2.
Wharves 20.

MINING:
Ranch Mines 6 1/2.
H.K. Mines 1 1/2.
LANDS, HOTELS AND BUILDINGS:
H. & S. Hotels 16 1/2, 16 1/2.
H.K. Land 10 1/2, 10 1/2.
Shanghai Lands 3 1/2, 3 1/2.
Humphreys (Ord) 1 1/2, 1 1/2.
(New) 1 1/2.

H.K. Real Estate 2 1/2.
Chinese Estate 17 1/2.
PUBLIC UTILITIES:
H.K. Tramways 20 1/2, 20 1/2.
Peak Tram (Ord) 21 1/2.
(New) 21 1/2.

Star Ferry 12 1/2, 12 1/2.
C. Light (Ord) 15 1/2, 15 1/2.
(New) 11 1/2, 11 1/2.
H.K. Electric 38 1/2, 38 1/2.
Macao Electric 28 1/2, 28 1/2.
Randan Electric 15 1/2.
Telephone 2 1/2.
Shanghai Gas 6 1/2.

INDUSTRIALS:
Gold, Silver, (Ord.) 2 1/2.
Cement 40 1/2, 40 1/2.
H.K. Paper 21 1/2, 21 1/2.
STORAGE:
Dairy Farms (Ord) 4 1/2.
(New) 4 1/2.
Watsons (Ord) 6 1/2.
(New) 6 1/2.
L. Crawford (Ord) 2 1/2.
(New) 2 1/2.

Sincere 6 1/2.
China Embroidery 11 1/2.
Sun Co. 1 1/2.
Kwong Sang Bank 10 1/2.
Wing On (H.K.) 10 1/2.
Wm. Powell, 14 1/2, 14 1/2.

MISCELLANEOUS:
China Entertainment 4 1/2.
H.K. Constructions (Ord) 1 1/2.
(New) 1 1/2.
Vibro (Ord) 1 1/2.
(New) 1 1/2.

Britain is planning to launch an all-out campaign to capture the Canadian engineering market with full Government support for British manufacturers' efforts to get bigger and better business in Canada.

Mr. Harold Wilson, President of the Board of Trade, in a foreword to the report published today of the British engineering mission which made a coast-to-coast tour of Canada last year, declared:

"This is a challenge to the enterprise and imagination of the whole of our engineering industry, not least to those firms who are not at present exporting to Canada or who have hesitated to intensify their sales effort there."

"I can assure them that the whole weight of encouragement and support from the Board of Trade and other Departments will be behind them in their efforts."

The mission urges that Canadian engineering orders be made a No. 1 priority and said the Dominion offers a solid and expanding long term market for British engineering goods.

Emphasising the need for a thorough investigation of the Canadian market by British firms, it proposes that:

U.S. Competition

1.—Small British firms band together to appoint technically qualified investigators.

2.—Senior executives of British firms visit Canada next Spring.

3.—Circulations of British trade and technical journals in the Dominion be expanded and Canadian engineers be invited to spend a term in British equipment works.

Warning that the United States is a formidable competitor, the mission says that Canadian inquiries and orders should be given preference at all levels by the staffs of engineering concerns who should ensure that delivery promises are kept or even improved.

There is widespread ignorance in Canada of British technical achievements and more support ought to be given for British agents and representatives there.

Almost Limitless

Revealing that Canada expects to spend \$500 million in the next five years on hydro-generating stations, the mission declares that opportunities for British engineering products over the next five to 15 years are almost limitless, with electricity the key to the development of all the big projects.

To capture the market, British exporters are told that they must:

1.—Thoroughly investigate Canada, bearing in mind that it is not only a market but a source of isolated areas.

2.—Supply equipment of perfect workmanship and good appearance.

3.—Keep packing costs low and not over-estimate freight charges.

4.—Quote fixed prices.

5.—Improve delivery dates and spare parts service; and

6.—Adapt themselves to requirements and specifications based on United States standards and "eye appeal".—Reuter.

Money Market

Gold continued its plunge yesterday, dropping a further five points to HK\$285.75 a tael, but at the close recovered partially to \$298. It had opened at \$301, which was 50 cents below the previous day's closing rate.

US dollar dropped to HK\$6.07 1/2 in the morning, but recovered to \$5.10 1/2 in the afternoon.

Gold Yuan was quoted at 315 and 32 of a cent for Hong Kong delivery, 405 and 38 of a cent for Canton remittance and 305 and 32 of a cent for Shanghai remittance.

Plastics opened at HK\$38.37 1/2 a 100 and closed at \$38.35.

Plastics were unchanged at HK\$25 a 100.

4 1/2% Guilders opened at HK\$20.50 a 100 and remained unchanged throughout the day.

Sterling was unchanged at HK\$15.20, but Australian pounds went up by two cents to HK\$12.55.

Japan Talks "Premature"

Tokyo, February 9.

British Commonwealth officials here describe as "premature" London press reports of a trade conference next Tuesday between Japan and sterling area countries.

British representatives have already asked Allied Headquarters to postpone the talks at least for a month, the officials said.—Reuter.

SILVER AND GOLD MARKETS

London—Silver, Spot, fine ounce, 42 1/2; Silver, Forward, fine ounce, 42 1/2; Bar, Gold, per fine ounce, 172 1/2.

New York—Silver, Bar, (asked price) 70 cents; Bar, Gold, per fine ounce (official) \$35.

Bombay—Silver, Ready, per 100 tins, 185 Rupees, 00 Annas; Silver, Forward, per 100 tins, no trading; Silver, Forward (unofficial), no trading; Gold, Forward (unofficial), no trading; Gold, Forward (unofficial), no trading; Gold, Forward (unofficial), no trading.

(One tins is equal to 8 1/2 of an ounce).

Bangkok—Gold, Bar, bahtweight of 16.24 grammes, unquoted; Exchange Rate (Bahtling) Bangkok on New York T.T. 19.30, London 61.90, Hong Kong 8.87.

India—Silver, Gold (Bibham) 14 1/2; Plastics: Parylene pound (Found) 445; Sovereign (Kine) 402; Sovereign (Queen) 400; Napoleon (Louis) 325; Union Latine 11.17, 34; Gold (Bibham) 14 1/2; Gold pound 210; Dollar (American) gold coin of 5 dollars 425; Pure Silver (per kilo) 810.

Paris Free Gold Prices—Napoleon 5.70, 17; French 10 franc coins 2.000; Swiss franc 6.000; Union Latine 5.10; Sovereign 6.875; Half Sovereign 3.10; 1/4 Sovereign 1.55; 1/8 Sovereign .775; 1/16 Sovereign .3875; 1/32 Sovereign .19375; 1/64 Sovereign .096875; 1/128 Sovereign .0484375; 1/256 Sovereign .02421875; 1/512 Sovereign .012109375; 1/1024 Sovereign .0060546875; 1/2048 Sovereign .00302734375; 1/4096 Sovereign .001513671875; 1/8192 Sovereign .0007568359375; 1/16384 Sovereign .00037841796875; 1/32768 Sovereign .000189208984375; 1/65536 Sovereign .0000946044921875; 1/131072 Sovereign .00004730224609375; 1/262144 Sovereign .000023651123046875; 1/524288 Sovereign .0000118255615234375; 1/1048576 Sovereign .00000591278076171875; 1/2097152 Sovereign .000002956390380859375; 1/4194304 Sovereign .0000014781951904296875; 1/8388608 Sovereign .00000073909759521484375; 1/16777216 Sovereign .000000369548797607421875; 1/33554432 Sovereign .0000001847743988037109375; 1/67108864 Sovereign .00000009238719940185546875; 1/134217728 Sovereign .000000046193599700927734375; 1/268435456 Sovereign .0000000230967998504638671875; 1/536870912 Sovereign .00000001154839992523193359375; 1/1073741824 Sovereign .000000005774199962615966796875; 1/2147483648 Sovereign .0000000028870999813079833984375; 1/4294967296 Sovereign .00000000144354999065399169921875; 1/8589934592 Sovereign .000000000721774

MESSAGERIES MARITIMES

ARRIVALS FROM		
S.S. "MORTAIN"	Europe	End of March
S.S. "CHAMPOLLION"	Marseilles	Mid April
SAILING TO		
S.S. "CHAMPOLLION"	Shanghai	Mid April
S.S. "CHAMPOLLION"	Marseilles via Saigon	End of April

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 via PANAMA

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Loading About 15th February, 1940

for

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 M.S. "LEISE MAERSK" Feb. 21
 M.S. "SALLY MAERSK" March 7

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OTHER U.S. PORTS

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 M.S. "ARNOLD MAERSK" Feb. 23
 M.S. "GRETE MAERSK" March 7

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AIR AND SHIPPING INTELLIGENCE

Shipping Arrivals		VESSELS DUE FROM		INDIA		Feb.	
YESTERDAY		SOUTH AFRICA		DAYHEAM (H) ex-Calcutta via Straits 27		27	
DAIKEN (Johannes) Norwegian, 1,778 tons, ex-Holm, 1st Mar.		STRAAT BOENDA (H.)		BANUOLA (H) ex-Calcutta via Straits 19		19	
KWIKYANG (H. & S.) British, 1,600 tons, ex-Singapore, 1st Mar.		BOISSEVAIN (H.)		KATHISTAN RAGA (Jardine) ex-Calcutta 11		11	
MANKATO VICTORY (APL) American, 9,000 tons, ex-Philippines Islands, 1st Mar.		STRAAT MALAKKA (H.)		SIRIDIANA (H) ex-Calcutta 11		11	
BALMORAL (Lloyds) British, 4,600 tons, ex-UK, 1st Mar.		AMERICA		JAPAN		Feb.	
TOMAR (Thoresen), Norwegian, 3,800 tons, ex-Shanghai, 1st Mar.		ATLANTIC COAST		CHANGTE (H. & S.)		21	
TOHNGHAI (Llama) Swedish, 3,200 tons, ex-Hankow, 1st Mar.		ARGOVAN (Dowdell) ex-Vancouver, 1st Mar.		PENGTHIN (H. & S.) ex-Kobe		17	
TREIN MAERSK (Jensen), Danish, 6,200 tons, ex-Manila, 1st Mar.		ARNOLD MAERSK (Jensen) ex-New York		KUTANG (Jardine) ex-Japan		17	
BENROCH (Lloyds) ex-UK, 4,000 tons, ex-Manila, 1st Mar.		HELVETIA (Thoresen)		POYANG (H. & S.) ex-Kobe		17	
MANVILLE (Thoresen) ex-Atlantic		CHINA MAIL (Everett) ex-Battle		WOSANG (Jardine) ex-Japan		17	
PRES. CLEVELAND (APL) ex-Philippines Islands		DAIKEN (Johannes) ex-Vancouver		DAYHEAM (H)		17	
TOMORROW		MANVILLE (Thoresen)		BANUOLA (H) ex-Japan and Rhnd		0	
FATHAN (H. & S.) ex-Canton, 7,300 a.m.		OCEAN MAIL (Everett) ex-Vancouver, Seattle		SIRIDIANA (H)		2	
KAFIRISTAN (Jardine) ex-Canton		PIONEER WAVE (USL) ex-New York		SIRIDIANA (H)		21	
Shipping Departures		PIONEER LAKE (USL) ex-New York		SOUTH-EAST PORTS		Feb.	
YESTERDAY		PIONEER COVE (USL) ex-New York		CAIRICK BEND (Everett) ex-Manila 25		25	
AIROS (Dowdell) for Sydney		PIONEER LAKE (USL) ex-New York		HANGSANG (Jardine) ex-Sandakan 25		25	
HAJONG (Jardine) for Sandakan		STEEL NAVIGATOR (Gillman)		SIRIDIANA (H. & S.) Feb. 21		21	
HERMES (Thoresen) for Bangkok		STELLA LYNES (APL) ex-Houston via Shanghai, Japan		CHANGTE (H. & S.)		21	
PRESIDENT PIERCE (APL) for USA		TITANIC (Dowdell)		PENGTHIN (H. & S.) ex-Kobe		17	
TODAY		WASHINGTON MAIL (Everett) via Straits, Japan		KUTANG (Jardine) ex-Japan		17	
BRADVERETT (Everett) for Rangoon		CASTLEVILLE (Hank)		POYANG (H. & S.) ex-Kobe		17	
HAI THIN (CMN) for Bangkok		FLYING DRAGON (USL) ex-San Francisco		WOSANG (Jardine) ex-Japan		17	
SHAN (H. & S.) for Sydney		GENERAL MICHIGAN (APL) ex-San Francisco via Yokohama, Shanghai		DAYHEAM (H)		17	
SHENKING (H. & S.) for Shanghai		KENNETH MCKAY (APL) ex-New Orleans		BANUOLA (H) ex-Calcutta via Straits 19		19	
TOHNGHAI (Gillman) for Europe		LAKELAND VICTORY (USL) ex-San Francisco		KATHISTAN RAGA (Jardine) ex-Calcutta 11		11	
TOMORROW		LUXEMBURG VICTORY (USL) ex-San Francisco		SIRIDIANA (H) ex-Calcutta 11		11	
HONG KONG (Tak Kee) for Canton		MOUNT DAVIS (APL) ex-San Francisco		CHANGTE (H. & S.)		21	
KWIKYANG (H. & S.) for Shanghai		PRES. CLEVELAND (APL) ex-San Francisco via Honolulu and Manila		PENGTHIN (H. & S.) ex-Kobe		17	
PRESIDENT CLEVELAND (APL) for San Francisco		PRES. FILLMORE (APL) ex-San Francisco via Yokohama, Taku Har		KUTANG (Jardine) ex-Japan		17	
TOMAR (Thoresen) for Europe		PRES. MCKINLEY (APL) ex-San Francisco via Manila		POYANG (H. & S.) ex-Kobe		17	
Vessels In Port		TAHSHI (East Asiatic) ex-End		WOSANG (Jardine) ex-Japan		17	
ALDARN (Wallen)		CHARLES E. DANT (Dowdell) ex-Los Angeles, San Francisco		DAYHEAM (H)		17	
ANAKAN (Gillman)		GREAT REPUBLIC (USL) ex-San Francisco		BANUOLA (H) ex-Calcutta via Straits 19		19	
BRADVERETT (Everett)		JULIA LUCKENBACH (USL) ex-San Francisco		KATHISTAN RAGA (Jardine) ex-Calcutta 11		11	
BUHWOOD (Mac, Mac)		MOUNT MANSFIELD (APL) ex-Los Angeles		SIRIDIANA (H) ex-Calcutta 11		11	
CLOVERLOCK (Yick Yuen)		NORMAN LYNES (APL) ex-Galveston via Kobe, Shanghai		CHANGTE (H. & S.)		21	
COMET (H. & S.)		PRES. MONROE (APL) ex-Los Angeles		PENGTHIN (H. & S.) ex-Kobe		17	
DAIKEN (Johannes)		SURPRISE (USL) ex-San Francisco		KUTANG (Jardine) ex-Japan		17	
EASTERN TRADER (H. & S.)		ARIZONA (Dowdell) ex-Los Angeles		POYANG (H. & S.) ex-Kobe		17	
EMPIRE TERN (Williamson)		SAN FRANCISCO (Dowdell) ex-Los Angeles		WOSANG (Jardine) ex-Japan		17	
FIREBIRD (H. & S.)		GREAT REPUBLIC (USL) ex-San Francisco		DAYHEAM (H)		17	
FUKUWANG (H. & S.)		BENROCH (Lloyds)		BANUOLA (H) ex-Calcutta via Straits 19		19	
HAI THIN (CMN)		HOPVILLE (Thoresen)		KATHISTAN RAGA (Jardine) ex-Calcutta 11		11	
HAI TAN (Douglas)		PRES. HARRISON (APL) ex-Boston via Straits		SIRIDIANA (H) ex-Calcutta 11		11	
HAI YUN (CMN)		PRES. JOHNSON (APL) for Boston via Straits		CHANGTE (H. & S.)		21	
HEINRICH JENSEN (H. & S.)		PRES. MONROE (APL) ex-Los Angeles		PENGTHIN (H. & S.) ex-Kobe		17	
HEIKON (Wallen)		SANTA BERPET (USL) ex-San Francisco via SANTIAGO (East Asiatic)		KUTANG (Jardine) ex-Japan		17	
HONG SIANG (Ho Hong)		PRES. JEFFERSON (APL) ex-Los Angeles		POYANG (H. & S.) ex-Kobe		17	
INCHICRA (Williamson)		CITYOS (Dowdell)		WOSANG (Jardine) ex-Japan		17	
INCHWELLS (Williamson)		EASTERN (E. & A)		DAYHEAM (H)		17	
JOHNSTON (H. & S.)		NANKIN (E. & A) ex-New Zealand, Mid		BANUOLA (H) ex-Calcutta via Straits 19		19	
KAFIRISTAN (Jardine)		BOOCHOW (H. & S.) 1st wk.		KATHISTAN RAGA (Jardine) ex-Calcutta 11		11	
KIANG YONG (Gillman)		CHINA		SIRIDIANA (H) ex-Calcutta 11		11	
KWIKYANG (H. & S.)		CARRICK BEND (Everett) ex-Shanghai		CHANGTE (H. & S.)		21	
LOUIS MOELLER (Moller)		RENEVERETT (Everett) ex-Shanghai		PENGTHIN (H. & S.) ex-Kobe		17	
MAUSANG (Jardine)		SHENKING (H. & S.) ex-Shanghai		KUTANG (Jardine) ex-Japan		17	
NEW CHINA (Eastern)		STAR DETELEGUARD (Everett) ex-Shanghai		POYANG (H. & S.) ex-Kobe		17	
NGO WEI (CMN)		THINAY (H. & S.) ex-Akoy, Swatow		WOSANG (Jardine) ex-Japan		17	
NORTH STAR (Moller)		WINGSANG (Jardine) ex-Shanghai 16/27		DAYHEAM (H)		17	
OILER ANTONIA (H. & S.)		YIOCHOW (H. & S.) ex-Shanghai, 15/16		BANUOLA (H) ex-Calcutta via Straits 19		19	
RAHMOO (H. & S.)		LLENVERETT (Everett) ex-Amoy		KATHISTAN RAGA (Jardine) ex-Calcutta 11		11	
RIVERSIDE (Dowdell)		SHIRALIA (H) ex-Amoy		SIRIDIANA (H) ex-Calcutta 11		11	
RUYS (H. & S.)		ACHILLES (H. & S.) ex-UK via Straits 13		CHANGTE (H. & S.)		21	
SALOMON (Lloyds)		BENROCH (Lloyds)		PENGTHIN (H. & S.) ex-Kobe		17	
SAN ANTONIO (Mann)		HAI (Gillman)		KUTANG (Jardine) ex-Japan		17	
SHAN (H. & S.)		BARTHELEMY (H. & S.) ex-London 14		POYANG (H. & S.) ex-Kobe		17	
SHENKING (H. & S.)		GLENHARTNEY (Jardine) ex-Manila 17		WOSANG (Jardine) ex-Japan		17	
STORE NORDBERG (Eastern)		MEDON (H. & S.) ex-UK via Straits 17		DAYHEAM (H)		17	
TEJALINGA (H. & S.)		MOMIDA (H. & S.) ex-UK via Straits 17		BANUOLA (H) ex-Calcutta via Straits 19		19	
TONG HAI (Hama)		NAYNAR (H. & S.) ex-UK via Straits 17		KATHISTAN RAGA (Jardine) ex-Calcutta 11		11	
TREIN MAERSK (Jensen)		RUMPER (H. & S.) ex-UK via Straits 17		SIRIDIANA (H) ex-Calcutta 11		11	
UNION CARRIER (Everett)		SOMALI (P. & O.) ex-London 21		CHANGTE (H. & S.)		21	
VALERIUS (H. & S.)		CORPU (P. & O.) ex-London 21		PENGTHIN (H. & S.) ex-Kobe		17	
WAREHUSA (H. & S.)		DENHOSHIRE (Jardine) ex-UK via Straits 17		KUTANG (Jardine) ex-Japan		17	
WHANGPU (H. & S.)		ELPENOR (H. & S.) ex-UK via Straits 17		POYANG (H. & S.) ex-Kobe		17	
YUNG HAO (H. & S.)		GLENCEYR (Jardine) ex-UK via Straits 17		WOSANG (Jardine) ex-Japan		17	
AIRCRAFT		HALLAND (Gillman)		DAYHEAM (H)		17	
MOVEMENTS		KVERNAN (H. & S.) ex-UK via Straits 17		BANUOLA (H) ex-Calcutta via Straits 19		19	
Arrivals		MANCHURIA (H. & S.) ex-UK via Straits 17		KATHISTAN RAGA (Jardine) ex-Calcutta 11		11	
TODAY		MORTAIN (H. & S.) ex-UK via Straits 17		SIRIDIANA (H) ex-Calcutta 11		11	
AIR FRANCE ex-Shanghai 11 a.m.		TITAN (H. & S.) ex-UK via Straits 17		CHANGTE (H. & S.)		21	
ANAC ex-Amoy via Swatow 12.45 a.m.		TREVINO (H. & S.) ex-UK via Straits 17		PENGTHIN (H. & S.) ex-Kobe		17	
5 p.m. ex-Canton 8.40 a.m. 10.10 a.m. 11 a.m. 12.30 p.m. 2.50 p.m. 5.25 p.m. 5.10 p.m. ex-Foochow via Canton 2.20 p.m. ex-Kowloon via Canton 2.20 p.m. ex-Shanghai 11.45 a.m. 2.20 p.m.		CANTON (P. & O.) ex-London 21		KUTANG (Jardine) ex-Japan		17	
CATTU ex-Kunming via Mluchow, Canton 6.10 p.m.		GLENHARTNEY (Jardine) ex-Manila 17		POYANG (H. & S.) ex-Kobe		17	
OPAS ex-Manila 11.30 a.m.		HALLAND (Gillman)		WOSANG (Jardine) ex-Japan		17	
ONAC ex-Amoy via Swatow 12.45 a.m. 11.40 a.m. 2.40 p.m. 4.40 p.m.		KVERNAN (H. & S.) ex-UK via Straits 17		DAYHEAM (H)		17	
PARATHAS ex-Olo, Bangkok 3 p.m.		MANCHURIA (H. & S.) ex-UK via Straits 17		BANUOLA (H) ex-Calcutta via Straits 19		19	
TOMORROW		MORTAIN (H. & S.) ex-UK via Straits 17		KATHISTAN RAGA (Jardine) ex-Calcutta 11		11	
ANAC ex-Amoy via Swatow 12.45 a.m. 11.40 a.m. 2.40 p.m. 4.40 p.m.		TITAN (H. & S.) ex-UK via Straits 17		SIRIDIANA (H) ex-Calcutta 11		11	
5 p.m. ex-Canton 8.40 a.m. 10.10 a.m. 11 a.m. 12.30 p.m. 2.50 p.m. 5.25 p.m. 5.10 p.m. ex-Foochow via Canton 2.20 p.m. ex-Kowloon via Canton 2.20 p.m. ex-Shanghai 11.45 a.m. 2.20 p.m.		CANTON (P. & O.) ex-London 21		CHANGTE (H. & S.)		21	
CATTU ex-Kunming via Mluchow, Canton 6.10 p.m.		GLENHARTNEY (Jardine) ex-Manila 17		PENGTHIN (H. & S.) ex-Kobe		17	
OPAS ex-Manila 11.30 a.m.		HALLAND (Gillman)		KUTANG (Jardine) ex-Japan		17	
ONAC ex-Amoy via Swatow 12.45 a.m. 11.40 a.m. 2.40 p.m. 4.40 p.m.		KVERNAN (H. & S.) ex-UK via Straits 17		POYANG (H. & S.) ex-Kobe		17	
PARATHAS ex-Olo, Bangkok 3 p.m.		MANCHURIA (H. & S.) ex-UK via Straits 17		WOSANG (Jardine) ex-Japan		17	
TODAY		MORTAIN (H. & S.) ex-UK via Straits 17		DAYHEAM (H)		17	
AIR FRANCE ex-Shanghai 11 a.m.		TITAN (H. & S.) ex-UK via Straits 17		BANUOLA (H) ex-Calcutta via Straits 19		19	
ANAC ex-Amoy via Swatow 12.45 a.m. 11.40 a.m. 2.40 p.m. 4.40 p.m.		TREVINO (H. & S.) ex-UK via Straits 17		KATHISTAN RAGA (Jardine) ex-Calcutta 11		11	
5 p.m. ex-Canton 8.40 a.m. 10.10 a.m. 11 a.m. 12.30 p.m. 2.50 p.m. 5.25 p.m. 5.10 p.m. ex-Foochow via Canton 2.20 p.m. ex-Kowloon via Canton 2.20 p.m. ex-Shanghai 11.45 a.m. 2.20 p.m.		CANTON (P. & O.) ex-London 21		SIRIDIANA (H) ex-Calcutta 11		11	
CATTU ex-Kunming via Mluchow, Canton 6.10 p.m.		GLENHARTNEY (Jardine) ex-Manila 17		CHANGTE (H. & S.)		21	
OPAS ex-Manila 11.30 a.m.		HALLAND (Gillman)		PENGTHIN (H. & S.) ex-Kobe		17	
ONAC ex-Amoy via Swatow 12.45 a.m. 11.40 a.m. 2.40 p.m. 4.40 p.m.		KVERNAN (H. & S.) ex-UK via Straits 17		KUTANG (Jardine) ex-Japan		17	
PARATHAS ex-Olo, Bangkok 3 p.m.		MANCHURIA (H. & S.) ex-UK via Straits 17		POYANG (H. & S.) ex-Kobe		17	
TODAY		MORTAIN (H. & S.) ex-UK via Straits 17		WOSANG (Jardine) ex-Japan		17	
AIR FRANCE ex-Shanghai 11 a.m.		TITAN (H. & S.) ex-UK via Straits 17		DAYHEAM (H)		17	
ANAC ex-Amoy via Swatow 12.45 a.m. 11.40 a.m. 2.40 p.m. 4.40 p.m.		TREVINO (H. & S.) ex-UK via Straits 17		BANUOLA (H) ex-Calcutta via Straits 19		19	
5 p.m. ex-Canton 8.40 a.m. 10.10 a.m. 11 a.m. 12.30 p.m. 2.50 p.m. 5.25 p.m. 5.10 p.m. ex-Foochow via Canton 2.20 p.m. ex-Kowloon via Canton 2.20 p.m. ex-Shanghai 11.45 a.m. 2.20 p.m.		CANTON (P. & O.) ex-London 21		KATHISTAN RAGA (Jardine) ex-Calcutta 11		11	
CATTU ex-Kunming via Mluchow, Canton 6.10 p.m.		GLENHARTNEY (Jardine) ex-Manila 17		SIRIDIANA (H) ex-Calcutta 11		11	
OPAS ex-Manila 11.30 a.m.		HALLAND (Gillman)		CHANGTE (H. & S.)		21	
ONAC ex-Amoy via Swatow 12.45 a.m. 11.40 a.m. 2.40 p.m. 4.40 p.m.		KVERNAN (H. & S.) ex-UK via Straits 17		PENGTHIN (H. & S.) ex-Kobe		17	
PARATHAS ex-Olo, Bangkok 3 p.m.		MANCHURIA (H. & S.) ex-UK via Straits 17		KUTANG (Jardine) ex-Japan		17	
TODAY		MORTAIN (H. & S.) ex-UK via Straits 17		POYANG (H. & S.) ex-Kobe		17	
AIR FRANCE ex-Shanghai 11 a.m.		TITAN (H. & S.) ex-UK via Straits 17		WOSANG (Jardine) ex-Japan		17	
ANAC ex-Amoy via Swatow 12.45 a.m. 11.40 a.m. 2.40 p.m. 4.40 p.m.		TREVINO (H. & S.) ex-UK via Straits 17		DAYHEAM (H)		17	
5 p.m. ex-Canton 8.40 a.m. 10.10 a.m. 11 a.m. 12.30 p.m. 2.50 p.m. 5.25 p.m. 5.10 p.m. ex-Foochow via Canton 2.20 p.m. ex-Kowloon via Canton 2.20 p.m. ex-Shanghai 11.45 a.m. 2.20 p.m.		CANTON (P. & O.) ex-London 21		BANUOLA (H) ex-Calcutta via Straits 19		19	
CATTU ex-Kunming via Mluchow, Canton 6.10 p.m.		GLENHARTNEY (Jardine) ex-Manila 17		KATHISTAN RAGA (Jardine) ex-Calcutta 11		11	
OPAS ex-Manila 11.30 a.m.		HALLAND (Gillman)		SIRIDIANA (H) ex-Calcutta 11		11	
ONAC ex-Amoy via Swatow 12.45 a.m. 11.40 a.m. 2.40 p.m. 4.40 p.m.		KVERNAN (H. & S.) ex-UK via Straits 17		CHANGTE (H. & S.)		21	
PARATHAS ex-Olo, Bangkok 3 p.m.		MANCHURIA (H. & S.) ex-UK via Straits 17		PENGTHIN (H. & S.) ex-Kobe		17	
TODAY		MORTAIN (H. & S.) ex-UK via Straits 17		KUTANG (Jardine) ex-Japan		17	
AIR FRANCE ex-Shanghai 11 a.m.		TITAN (H. & S.) ex-UK via Straits 17		POYANG (H. & S.) ex-Kobe		17	
ANAC ex-Amoy via Swatow 12.45 a.m. 11.40 a.m. 2.40 p.m. 4.40 p.m.		TREVINO (H. & S.) ex-UK via Straits 17		WOSANG (Jardine) ex-Japan		17	
5 p.m. ex-Canton 8.40 a.m. 10.10 a.m. 11 a.m. 12.30 p.m. 2.50 p.m. 5.25 p.m. 5.10 p.m. ex-Foochow via Canton 2.20 p.m. ex-Kowloon via Canton 2.20 p.m. ex-Shanghai 11.45 a.m. 2.20 p.m.		CANTON (P. & O.) ex-London 21		DAYHEAM (H)		17	
CATTU ex-Kunming via Mluchow, Canton 6.10 p.m.		GLENHARTNEY (Jardine) ex-Manila 17		BANUOLA (H) ex-Calcutta via Straits 19		19	
OPAS ex-Manila 11.30 a.m.		HALLAND (Gillman)		KATHISTAN RAGA (Jardine) ex-Calcutta 11		11	
ONAC ex-Amoy via Swatow 12.45 a.m. 11.40 a.m. 2.40 p.m. 4.40 p.m.		KVERNAN (H. & S.) ex-UK via Straits 17		SIRIDIANA (H) ex-Calcutta 11		11	
PARATHAS ex-Olo, Bangkok 3 p.m.		MANCHURIA (H. & S.) ex-UK via Straits 17		CHANGTE (H. & S.)		21	
TODAY		MORTAIN (H. & S.) ex-UK via Straits 17		PENGTHIN (H. & S.) ex-Kobe		17	
AIR FRANCE ex-Shanghai 11 a.m.		TITAN (H. & S.) ex-UK via Straits 17		KUTANG (Jardine) ex-Japan		17	
ANAC ex-Amoy via Swatow 12.45 a.m. 11.40 a.m. 2.40 p.m. 4.40 p.m.		TREVINO (H. & S.) ex-UK via Straits 17		POYANG (H. & S.) ex-Kobe		17	
5 p.m. ex-Canton 8.40 a.m. 10.10 a.m. 11 a.m. 12.30 p.m. 2.50 p.m. 5.25 p.m. 5.10 p.m. ex-Foochow via Canton 2.20 p.m. ex-Kowloon via Canton 2.20 p.m. ex-Shanghai 11.45 a.m. 2.20 p.m.		CANTON (P. & O.) ex-London 21		WOSANG (Jardine) ex-Japan		17	
CATTU ex-Kunming via Mluchow, Canton 6.10 p.m.		GLENHARTNEY (Jardine) ex-Manila 17		DAYHEAM (H)		17	
OPAS ex-Manila 11.30 a.m.		HALLAND (Gillman)		BANUOLA (H) ex-Calcutta via Straits 19		19	
ONAC ex-Amoy via Swatow 12.45 a.m. 11.40 a.m. 2.40 p.m. 4.40 p.m.		KVERNAN (H. & S.) ex-UK via Straits 17		KATHISTAN RAGA (Jardine) ex-Calcutta 11		11	
PARATHAS ex-Olo, Bangkok 3 p.m.		MANCHURIA (H. & S.) ex-UK via Straits 17		SIRIDIANA (H) ex-Calcutta 11		11	
TODAY		MORTAIN (H. & S.) ex-UK via Straits 17		CHANGTE (H. & S.)		21	
AIR FRANCE ex-Shanghai 11 a.m.		TITAN (H. & S.) ex-UK via Straits 17		PENGTHIN (H. & S.) ex-Kobe		17	
ANAC ex-Amoy via Swatow 12.45 a.m. 11.40 a.m. 2.40 p.m. 4.40 p.m.		TREVINO (H. & S.) ex-UK via Straits 17		KUTANG (Jardine) ex-Japan		17	
5 p.m. ex-Canton 8.40 a.m. 10.10 a.m. 11 a.m. 12.30 p.m. 2.50 p.m. 5.25 p.m. 5.10 p.m. ex-Foochow via Canton 2.20 p.m. ex-Kowloon via Canton 2.20 p.m. ex-Shanghai 11.45 a.m. 2.20 p.m.		CANTON (P. & O.) ex-London 21		POYANG (H. & S.) ex-Kobe		17	
CATTU ex-Kunming via Mluchow, Canton 6.10 p.m.		GLENHARTNEY (Jardine) ex-Manila 17		WOSANG (Jardine) ex-Japan		17	
OPAS ex-Manila 11.30 a.m.		HALLAND (Gillman)		DAYHEAM (H)		17	
ONAC ex-Amoy via Swatow 12.45 a.m. 11.40 a.m. 2.40 p.m. 4.40 p.m.		KVERNAN (H. & S.) ex-UK via Straits 17		BANUOLA (H) ex-Calcutta via Straits 19		19	
PARATHAS ex-Olo, Bangkok 3 p.m.		MANCHURIA (H. & S.) ex-UK via Straits 17		KATHISTAN RAGA (Jardine) ex-Calcutta 11		11	
TODAY		MORTAIN (H. & S.) ex-UK via Straits 17		SIRIDIANA (H) ex-Calcutta 11			

